



KEENE CITY COUNCIL
Council Chambers, Keene City Hall
September 2, 2021
7:00 PM

ROLL CALL

PLEDGE OF ALLEGIANCE

MINUTES FROM PRECEDING MEETING

- August 19, 2021

A. HEARINGS / PRESENTATIONS / PROCLAMATIONS

1. Presentation of Retirement Resolution - Bill Byrne
2. Digital Marketing

B. ELECTIONS / NOMINATIONS / APPOINTMENTS / CONFIRMATIONS

1. Confirmation
 - Ashuelot River Park Advisory Board

C. COMMUNICATIONS

1. Concerns Regarding Drainage - Barrett Avenue/Ingalls Street Neighborhood

D. REPORTS - COUNCIL COMMITTEES

1. Sidewalk Asset Management Plan – Director of Public Works
2. Keene Music Festival – Request to Use City Property – Music Fest
3. Keene Elm City Rotary Club – Request to Use City Property – Clarence DeMar Marathon
4. Negotiate Lease of Airport Property – Airport Director

5. Acceptance of Donation - Human Rights Committee - Parks, Recreation and Facilities Director
6. Paul Dubriske - Request to Acquire Land Adjacent to Property at 454 Elm Street
7. West Keene Fire Station Feasibility Study Report - Parks, Recreation and Facilities Department
8. Acceptance of the 2020 Assistance to Firefighters Grant (AFG) - Fire Department
9. Drinking Water and Ground Water Trust Fund Grant Application Authorization - Public Works Department
10. Evaluation Process for Charter Employees - Councilor Thomas F. Powers

E. CITY MANAGER COMMENTS

F. REPORTS - CITY OFFICERS AND DEPARTMENTS

G. REPORTS - BOARDS AND COMMISSIONS

H. REPORTS - MORE TIME

I. ORDINANCES FOR FIRST READING

J. ORDINANCES FOR SECOND READING

1. Relating to the Restoration of Involuntary Merged Lots
Ordinance O-2021-11-A

K. RESOLUTIONS

1. Relating to FY22 Fiscal Policies
Resolution R-2021-37
2. Relating to the Appropriation of funds from the Sewer Fund Unassigned Fund Balance for the Wastewater Treatment Plant Solar Project
Resolution R-2021-38
3. Relating to the Appropriation of funds from the Solid Waste Fund Unassigned Fund Balance for the Repair of the Transfer Station from Fire Damage and Upgraded Fire Protection
Resolution R-2021-39

NON PUBLIC SESSION

ADJOURNMENT

A regular meeting of the Keene City Council was held on Thursday, August 19, 2021. The Honorable Mayor George S. Hansel called the meeting to order at 7:00 PM. Roll called: Stephen L. Hooper, Michael J. Remy, Janis O. Manwaring, Randy L. Filiault, Robert C. Williams, Philip M. Jones, Gladys Johnsen, Andrew M. Madison, Raleigh C. Ormerod, Bettina A. Chadbourne, Catherine I. Workman, Mitchell H. Greenwald, Kate M. Bosley, and Thomas F. Powers. Michael Giacomo was present in the audience and did not participate in the roll call. Councilor Workman led the Pledge of Allegiance.

ANOUNCEMENTS

Birthdays: Councilor Michael Remy on July 17 and Councilor Thomas Powers on August 12.

Upcoming Council workshops, both at 6:00 PM in the Council Chambers:

- Tuesday, August 24 – Council meeting process
- Tuesday, September 14 – Strategic budgeting

MINUTES

A motion by Councilor Powers to accept the minutes of the July 15, 2021 meeting was duly seconded by Councilor Bosley and the motion passed on a show of hands with 14 Councilors present and voting in favor. Councilor Giacomo was absent.

COMMUNICATION – COUNCILOR MICHAEL GIACOMO – RESIGNATION – WARD THREE COUNCILOR

Mayor Hansel brought this agenda item forward. A communication was received from Michael Giacomo, resigning from his position as Ward Three Councilor. Mayor Hansel invited Councilor Giacomo forward from the audience and presented him a key to the City, which is a tradition when a Councilor must end their term early due to moving out of their Ward. Councilor Giacomo said it had been a pleasure working with everyone.

Mayor Hansel stated that he was accepting Michael Giacomo's resignation from the Keene City Council with regret and, as provided by Section 37 of the Rules of Order, Mayor Hansel established the following process to fill the vacancy. The filing period for the Ward Three City Councilor Vacancy will start at 8:00 AM on Tuesday, August 31, 2021 and extend up until 5:00 PM on Monday, September 13, 2021. The election by the City Council will occur at the September 16, 2021 regular Council meeting. At the September 16 meeting, each candidate will be given five minutes to address the Council relative to their vacancy. As provided for in Section 37 of the Rules of Order, City Councilors will not be permitted to ask questions of the candidates.

PROCLAMATION – PATRIOT

Mayor Hansel presented a Proclamation to Keene Police Officer Josh English and his son, whose family suffered the loss of K9 Officer, Patriot, on July 6, 2021. As such, Mayor Hansel declared August 19, 2021 as K9 Patriot Recognition Day in the City of Keene, NH and presented a copy of the Proclamation to the English family.

PRESENTATION OF RETIREMENT RESOLUTION – BILL BYRNE

Mr. Byrne was unable to attend. This Resolution was read into the record on July 15, 2021 and Mr. Byrne was invited to the Christmas party to be honored with all the other retirees who were not honored in-person during Covid-19.

PRESENTATION OF RETIREMENT RESOLUTION – ERIC SWOPE

Mayor Hansel welcomed Eric Swope with a short video playing in his honor. The Mayor read into the record a Resolution recognizing Mr. Swope's retirement. Mr. Swope expressed gratitude for the City as an employer that provided him the latitude to embrace his creativity and for his supportive group of coworkers, including the Director of Public Works, Kurt Blomquist, and Wastewater Treatment Plan Operations Manager, Aaron Costa.

PUBLIC HEARING – CHARTER AMENDMENT – SECTION 2 “WARDS”

Upon the Mayor's request, the Deputy City Clerk read the public hearing notice into the record, and Mayor Hansel opened the public hearing at 6:20 PM.

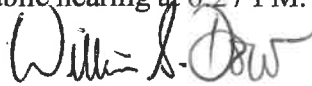
The Deputy City Clerk, William Dow, presented the Staff position on behalf of the City Clerk, and provided background on why this amendment was proposed. Every 10 years, there is a Constitutional requirement for the City to redistrict its Ward lines to achieve as equal a population between the Wards as possible. Redistricting is based on the US Census data. The Deputy City Clerk said the recommended changes to the Keene City Charters would be delayed significantly this year due to late release of the US Census Bureau data, which is received by the City typically in early June but would not be available this year until September 30. This delay will not provide sufficient time for the statutory legal review and notice requirements for the November 2, 2021 municipal election. The City Clerk proposed a Charter Amendment, with a ballot question to the Keene voters on whether to remove the Ward line descriptions and authorize the City Council to re-district Ward lines. This redistricting effort could impact Councilors and elected officials who are elected specifically from Wards and therefore, this proposed Charter Amendment provides language so that they remain in office until their terms have concluded from which they were elected. Along these lines, later in this meeting the Mayor would appoint an Ad-Hoc Redistricting Committee, whose charge would be to review the US Census Data once received and make any recommendations to the City Council for adjusting Ward lines as necessary to equalize population between Wards. Following the Redistricting Committee's recommendation, a public hearing will be scheduled for public comments, and any recommendations to the street-by-street descriptions would be adopted through an Ordinance codified into the City Code. Because there is a redistricting effort at the state and federal levels led by the House Redistricting Committee when the Legislature reconvenes in January. The City Clerk recommended that the effective date for the Keene Ward line changes be January 1, 2022. This would allow the State the most advanced notice of Keene's Ward changes as they work to comply with their own statutory process.

The Mayor requested comments from the public, but as there were none, the Mayor Hansel closed the public hearing. Written comments from the public would not be accepted but a report

of these proceedings would be filed with the City Clerk's office and submitted to the State. Mayor Hansel did not refer this to the Finance, Organization & Personnel Committee at this time, but rather would do so when the Redistricting Committee makes its final recommendation, when there would be another public hearing.

Councilor Jones asked what happens if this ballot measure fails; would things revert to how they are now and wait for the census? The City Attorney replied in the affirmative and stated that it was important for the Council and the voters of the City to understand completely why this was happening. The Attorney continue saying that the City would be in a very difficult position if the charter amendment is not adopted. He clarified that redrawing the Ward lines would be a part of the City Code and it is not something that can be unilaterally changed any time. The City Attorney said it would be important for the Council to advocate for the charter amendment.

Hearing no further comments, Mayor Hansel closed the public hearing at 6:27 PM.

A true record, attest: 
Deputy City Clerk

PRESENTATION – WEST KEENE FIRE STATION PROGRAM AND CONCEPTUAL DESIGN STUDY

Mayor Hansel welcomed Fire Chief, Mark Howard, and Director of Parks, Recreation & Facilities, Andy Bohannon for a presentation. Chief Howard began stating that this evening was the culmination of work that had been in progress since September 2020 by members of the Fire Department, other City Staff, and three City Councilors, who participated in this design phase, providing a report to the City Council at this meeting. Chief Howard recognized and thanked Captain Jason Martin, Captain Chris Staples, Captain James Pierce, all firefighters, Lance, Cleveland, Brad K, James McLean, Dan McKenna, and Brendan Canary, and City Councilors Jan Manwaring, Philip Jones, and Thomas Powers.

Mr. Bohannon introduced the guest speaker, Robert Robicsek, of the consulting firm Lavallee-Brensinger Architects. The firm understood emergency operations, and they have designed and built many stations, and could make sound decisions on the existing station. The scope for this design feasibility study was to meet the needs of emergency service operations for the West Keene Fire Station. Mr. Bohannon said that Mr. Robicsek had designed a functional building for operations serving Keene's future needs. Throughout the presentation, Mr. Bohannon asked the Council to remember that this was the first of many subsequent phases and that this was only a feasibility study to help guide the Council during the next Capital Improvement Program (CIP) discussion.

Mr. Robicsek summarized their nine months of work. He said this study was an educated look at current and 20-year future needs of the West Keene Fire Station and the overall Fire Department because some things were not incorporated into the Central Station built eight years ago. He said that overall, this study was to evaluate the needs of this location's current building and determine whether it could serve the Department and community's needs, and if it did not, to explore

alternatives. Mr. Robicsek referred to the study charge and many associated processes, some of which were linear and concurrent. Work included a kick-off meeting, facility visits, a facility current conditions report, space programming needs assessment, using Municipal Resources, Inc. for a high-level operational assessment of the whole Fire Department, developing conceptual plans and designs, preparing a budget, and preparing a final report presented to Council. Originally Mr. Robicsek's firm was retained with the idea to reuse the West Station, which was built in the 1950s. While the building appears in reasonably good shape at first glance, he said that there were many issues detailed in the report, including very old mechanical systems. Therefore, conceptual planning continued with consideration of constructing a new West Station.

Mr. Robicsek shared a few reasons why constructing a new building would be advantageous to reusing the current building. He said the City is lucky because this site is six acres and has good frontage on Hastings Avenue, which is important for a fire station. The site has a lot of depth to it and this conceptual design was able to leave the building in near to its same current footprint, therefore minimizing impact to the property, not impinging anyone else, reusing some pavement, and saving money overall. Mr. Robicsek continued stating that the building is comprised of three sections at present and he used site plans to depict the various current features. This building was constructed like many others in the 1950s with concrete masonry walls that are challenging to alter. Further, there is also only one overhead door, and such small spaces are not conducive to moving expensive and large firefighting apparatuses; this also increases response times. Everything was based on modern firefighting standards and processes. Next, he said that building a new West Station would allow for incorporating needed features of a modern station that were not included in the Central Station when it was built eight years ago. During the Fire Department operational analysis and conditions report, approximately two months were dedicated to space programming, which was a collaborative process with Chief Howard and his Command Staff based on Keene's needs. Key parts of that program for a new building included a community support area, public area, fire apparatus area, living quarters, expensive apparatus support areas, and facility support areas like mechanical rooms. The concept began with repurposing the current one-story, approximately 22,000 square foot building, but the space programming called for only 14-15,000 square feet, and so repurposing would have been a challenge and more expensive. Attempting to repurpose would require bringing 1950s designs to the current NH 2015 Structural Design Code, which is vastly different. For the reasons listed and more, Mr. Robicsek assured the Council that this conceptual design was based on diligence, needs for specific equipment sizes, meeting codes, and more. There were many conversations about how the space might work on the site, ensuring it would be at scale with the neighborhood, and having the least impact on the site, with greatest presence of the building and 70-80-foot apparatus apron on the street frontage. Mr. Robicsek used site plans to demonstrate other features of the proposed conceptual design, many of which are to improve response times, which are crucial:

- Install a U-shaped half-circle drive on the site in case of emergency. There is currently only one driveway existing on the property.
- Greenspace and public parking at the front and Staff parking at the back.
- A small public lobby leading to a service area.
- A community room, with a training room inside it.
- Radio and report room.
- Living quarters and outdoor recreation spaces at the back.

- The apparatus bay tends to be the largest, including pull-through bays, with tall ceilings and a mezzanine area.
- An emergency operations center (EOC).
- Important focus was placed on firefighter health, including distinct areas for contaminated equipment, areas for people or equipment being cleaned, and the uncontaminated living quarters.
- The outer elevations would mirror other designs in town, with sloped roofs and dormers, among other elements demonstrated in the report, including materials in keeping with the City.
- The building will have solar panels on the flat roof areas.

Approximately 10 pages in the presented report are a simple budget spreadsheet for the basic conceptual design based on some information about the general feel of the project in terms of architectural, mechanical, and civil quality. Chief Howard was comfortable with the proposed one-story building. The budget was organized by firms that Mr. Robicsek works with, Jobin Construction Costs and OPM, using an estimator to create a budget index for the third quarter of 2022; the estimator was based on NH. For the building construction, the budget breaks down to approximately \$325 per square foot. Mr. Robicsek acknowledged a volatile construction market, but stated his belief that this was a solid study that would serve the community and Fire Department well. He welcomed questions.

Councilor Greenwald asked what other locations were considered. Mr. Robicsek said he was only tasked with considering the Hastings Avenue location. Councilor Greenwald asked the City Manager how much the downtown Station cost. Chief Howard replied stating that everything included was approximately \$5.5 million eight years ago. Mr. Robicsek said to put the escalation into perspective, the recession made for low construction prices in 2010-2011, which began to level in 2012-2013, and in the years since the Central Station was built there has been escalation from 3.5%—5% and in 2018-2019 at 5%—6% for projects like this, resulting in compounded costs over time up to 35% higher for this proposed station compared to the Central Station. Chief Howard referred to Councilor Greenwald's location question and said that this location was the focus of this study because the year prior, the City Council had voted choosing this location from a GIS study of five or six different sites throughout what is referred to as District Two or West Keene. Councilor Greenwald said the West Station has different needs than the Central Station, primarily ambulance, and asked if that was considered. Chief Howard stated, "I am going to retract the history of what was said in 1998, prior to, before when Station Two was opened. As your current Fire Chief, the needs of West Keene for emergency services are not only ambulances, as it was primarily highlighted back in the mid-1990s, but fire protection. Both from a fire and EMS standpoint, to meet response standards, if Station Two wasn't there today for the call volume that is handled from that station, the City would not meet the national standards at all.

Councilor Ormerod said he was glad to see energy efficiency was being considered with solar panels and he was interested in what operational efficiencies were considered in the new building construction and systems be across the board, and whether there is extra capacity for solar banks or farms on the property to help defray some of the expenses. He was interested in the total cost

of ownership over the next 30 years, which he hoped would be a part of the next phase, and asked if there was any insight at this time. While this is a high-level study, Mr. Robicsek said that based on the current codes for energy use and efficiency it would be a fairly high performing building and he thought there was ample space for additional solar panels at the back of the building and property; many of his clients lease solar panels. The overall quality of this initial study would be to minimally meet current Code requirements, which Mr. Robicsek said are fairly extensive.

Mayor Hansel said he did not put much stock in these pre-design development figures presented likely years in advance of actual construction bids. However, he asked Mr. Robicsek as a designer of fire stations, what features of a fire station would differentiate this building from a typical commercial building so the Council could anticipate big ticket items down the line. Mr. Robicsek said that if going to bid in the third quarter 2022 based on this pre-design conceptual study, he thought the Council might be surprised how in-line some of the numbers listed in the budget might be, but beyond that there could be unpredictable variation. He said that compared to a commercial building this would be built to last as the City owns it forever and so all items would be higher quality. Mayor Hansel asked if there is a percentage, like 30%, cost per square foot difference between a fire station and typical commercial building. Mr. Robicsek said that was not a typical estimation, but he thought the Mayor's 30% mention was likely not far off.

Councilor Madison asked if there were any apparatus, equipment, or services anticipated that would be transferred from Central Station to a new West Station. Chief Howard said needs for District Two were programmed for the West Station 20 years into the future beyond regular apparatus including the following stationed there: ladder two, an ambulance, a brush truck, a large hazmat unit, and fire alarm truck. When considering Councilor Greenwald's question on emergency versus fire needs, Chief Howard said in District Two there are a lot of residential and industrial properties in West Keene that require fire and ambulance services closer than downtown. Chief Howard did not imagine these areas would be developed much more during his lifetime but on a larger scale long term, perhaps another ambulance or engine service with staffing would be needed at the West Station. He said that because of the volume of what is occurring at the local level, it could be more a matter of moving equipment from the Central Station to the West Station where more Staff is as demands change over time, as opposed to needing to add more apparatuses. He said the West Keene Station would be approximately half the size of the Central Station. In reference to the Mayor's question Chief Howard said that during space programming, everything was based on codes and standards adopted for fire service best practices and benchmarking. Various areas require infrastructure that need separation, or high costs of exhaust systems, for example. Mayor Hansel thought it was important for the Council and public to understand that this could be an expensive building, but that there were reasons justifying those costs.

Councilor Jones said the demographics of District Two have changed since 1998 and now there is a middle school, there are many employers, the largest tract of single-family houses, and the largest tract of rental properties. He said the demographics of Keene are changing and we need to change with that. Councilor Jones continued recalling that when building the Police Station, they

were told it was a public safety building that had to meet certain seismic ratings that were very expensive. He asked if the same was true of the Fire Station. Mr. Robicsek said it was sometimes misunderstood that every police and fire station must meet what the International Building Code calls a Category Four Building, which is a mission-critical, survivable facility. If Federal funding goes toward a regional EOC then those buildings might be required as Category Four and this category is common in large cities. Category Four buildings have much more stringent structural design requirements that make them more expensive. However, he said the current codes for this kind of a building have changed multiple times since the 1950s and that was an issue when discussing an addition to the current 1950s building. He said the building concept presented in this report meets all current codes, including structural codes for the region, but it was not designed as a Category Four, which the Council could opt in favor of. The last few Category Four buildings he designed were in large cities and coastal areas.

At the closure of the presentation, the Mayor thanked the architectural firm and the staff involved.

NOMINATIONS

Mayor Hansel nominated Councilor Stephen Hooper to the Ashuelot River Park Advisory Board, with a term to expire December 31, 2021. The Mayor tabled the nominations until the next regular meeting. With respect to the nomination of Scott Gerhart to the Airport Development and Marketing Committee, the Mayor indicated he was aware that Mr. Gerhart was not able to serve and the Mayor was therefore withdrawing the nomination.

APPOINTMENT

Mayor Hansel appointed the following individuals to the Ad Hoc Redistricting Committee: Kendall Lane (Chair), Councilor Jan Manwaring, Michael Giacomo, Alexander Von Plinsky IV, and Marilyn Huston. A motion by Councilor Powers to confirm the appointments was duly seconded by Councilor Bosley and the motion passed on a show of hands with 14 Councilors present and voting in favor. Ward Three Council seat vacant.

COMMUNICATION – PAUL DUBRISKE – REQUEST TO ACQUIRE LAND ADJACENT TO PROPERTY AT 454 ELM STREET

A communication was received from Paul Dubriske, requesting to acquire a portion of the City right-of-way on Elm Street that is adjacent to his property at 454 Elm Street. Mayor Hansel referred the communication to the Finance, Organization, & Personnel Committee.

COMMUNICATION JOHN AND LOUISE HILOW – FLOODING AT 36 WETMORE STREET

A communication was received from John and Louis Hilow, who have experienced flooding at their 36 Wetmore Street residence on multiple occasions. Mayor Hansel referred the communication to the Municipal Services, Facilities, & Infrastructure Committee.

COMMUNICATION – COUNCILOR PHILIP JONES – DECLARATION OF INCLUSION

A communication was received from Councilor Philip Jones, who recommended that the members of the Keene City Council voluntarily sign a Declaration of Inclusion. This item was referred to the Finance, Organization, & Personnel Committee and the Diversity, Equity, & Inclusion Committee for language adjustments, which included changes that were helpful and enthusiastic.

Councilor Jones said he would be voting to suspend the Rules of Order to bypass the public process. This has been noticed publicly already through the Planning, Licenses, & Development Committee, and public input was heard, and the Committee's recommendations were used to bring this back to Council.

A motion by Councilor Jones to suspend the Rules of Order was duly seconded by Councilor Filiault.

Councilor Remy said he wanted more time for public input on this despite being in favor of it. He did not see the harm in waiting one more meeting to give the public another chance.

The motion to suspend the Rules of Order passed on a roll call vote of 12-2. Councilors Remy and Manwaring voted in opposition. Ward Three Council seat vacant

Councilor Jones moved to ask the City Council to approve the Declaration of Inclusion as presented, which Councilor Filiault seconded.

Councilor Jones said this was a process of taking a concept and making it visual. This concept has been in discussion for many years and just last May, the Council voted to accept the report from the Ad Hoc Racial Justice and Community Safety Committee. He said there is a Human Rights Committee and this Declaration would help the Committee meet four of their goals. The fourth City Council goal adopted in 2017 was to encourage a diverse and inclusive culture. The Economic Development Plan discusses multiculturalism as a great tool for development. The Keene Comprehensive Master Plan discusses the City becoming more diverse and inclusive. Therefore, Councilor Jones said this Declaration was a culmination and formalization of these concepts. Councilor Jones was unaware of other City declarations and every elected official would be invited to sign the framed document. Perspectives and wording suggestions were welcomed from Councilors and the Monadnock Diversity, Equity, and Inclusion Committee, which accepted the Declaration enthusiastically. Now, Councilor Jones said it was time to create the visual document, present it at an upcoming Council meeting, and invite Councilors to sign.

Councilor Hooper said he supported the concept of a proclamation promoting diversity and inclusion put forth by Councilor Jones and this is just a natural progression by the City of Keene and other cities and towns in NH to push for treating everyone with respect and dignity. A Sentinel editorial the other day mentioned a nearby town where selectmen voted against moving forward on an inclusion statement. A majority of them said the town has done enough. Councilor Hooper thought that was short-sighted as we need to push back as much as possible on the effort to prevent diversity and inclusion. He said the Keene City Council should continue supporting

inclusivity, diversity, and transparency; accepting all races, religions, and creeds. He is proud that the City of Keene is a leader in the State on this issue and it should continue to be so.

On a show of hands, the motion to adopt the Declaration of Inclusion passed with 14 Councilors present and voting in favor. Ward Three Council seat vacant.

COMMUNICATION – COUNCILORS MADISON AND WILLIAMS – REQUESTING REGULATION OF SINGLE-USE PLASTICS IN THE CITY AND ON CITY PROPERTY

A communication was received from Councilors Madison and Williams, requesting that the Planning, Licenses, & Development Committee discuss the topic of regulating the distribution of single-use plastics in the City and on City property. They further recommend that the City of Portsmouth, New Hampshire's Ordinance serve as a model for any prospective action the City may take.

Before making the referral, the Mayor recognized Councilor Filiault for a comment. Councilor Filiault stated that even though he agreed with both Councilors in their desire to address single-use plastics, but he thought the communication should go to the City Attorney for review first. Councilor Filiault realized that Portsmouth passed an ordinance related to this recently and that Keene tried to two years ago but pulled back because the State actually controls the decision as to whether to regulate locally. Portsmouth did pass this recently and no one had challenged it yet and he said that if someone does it would be an extensive court battle. Councilor Filiault said he spoke with the City Attorney and asked, if the City Council does pass this and someone challenges – the Councilor assured that someone from the City would challenge it – what the legal ramifications and costs would be. At this point, he asked to send the communication to the City Attorney first and not Committee, which would send it to the City Attorney anyway. Councilor Filiault said this would save time and it is the Council's job to not spend taxpayer money on needless legal expenses. Councilor Madison concurred with Councilor Filiault and was more comfortable with City Attorney reviewing the legal background. Councilor Madison agreed that Portsmouth had not been challenged yet, but it has been two years since enacting the regulation without a challenge. He was happy to receive the City Attorney's professional opinion. Mayor Hansel referred the communication to the City Attorney.

MSFI REPORT – SIDEWALK ASSET MANAGEMENT PLAN – DIRECTOR OF PUBLIC WORKS

A Municipal Services, Facilities, & Infrastructure Committee report read, recommending the acceptance of the Sidewalk Asset Management Plan presentation as informational. Mayor Hansel filed the report as informational.

FOP REPORT – ACCEPTANCE OF DONATION – PATHWAYS FOR KEENE – JONATHAN DANIELS TRAIL IMPROVEMENTS

A Finance, Organization, & Personnel Committee report read, recommending that the City Manager be authorized to do all things necessary to accept a donation of \$18,100.00 from Pathways for Keene, Inc for trail improvements to the Jonathan Daniels Trail. A motion by Councilor Powers to carry out the intent of the Committee report was duly seconded by

Councilor Hooper and the motion passed with 14 Councilors present and voting in favor. Ward Three Council seat vacant.

FOP REPORT – ACCEPTANCE OF DONATION – MULTIPLE DONORS – FIRE DEPARTMENT

A Finance, Organization, & Personnel Committee report read, recommending that the City Manager be authorized to do all things necessary to accept donations totaling \$175.00. Councilor Powers to carry out the intent of the Committee report was duly seconded by Councilor Hooper and the motion passed with 14 Councilors present and voting in favor. Ward Three Council seat vacant.

FOP REPORT – ACCEPTANCE OF DONATION – ART IN CITY HALL – HUMAN RESOURCES DEPARTMENT

A Finance, Organization, & Personnel Committee report read, recommending that the City Manager be authorized to do all things necessary to accept the donation of framed artwork for placement in City Hall. Councilor Powers to carry out the intent of the Committee report was duly seconded by Councilor Hooper and the motion passed with 14 Councilors present and voting in favor. Ward Three Council seat vacant.

CITY MANAGER COMMENTS

The City Manager started her remarks by sharing exciting news for the Police Department. Officer Michael O'Donnell has been selected as our next K9 handler and he is about to be matched with his dog for training. In September, Officer O'Donnell will attend Ronin Dog Training, based in Europe and Tennessee. Ronin is a reputable and internationally recognized service dog breeding and training organization. They offer an extensive basic K9 Handler course that trains new handlers in all areas of dog maintenance, training, and deployments. During this course, he will be assigned to his new K9 partner, and they will leave the training certified and thoroughly prepared to take on the responsibilities of the City of Keene's next Police K9 team, thus increasing our operational capabilities while reducing our dependency upon outside agencies for assistance.

Continuing on with great news from the Fire Department, the City Manager stated training as a paramedic is both time consuming and expensive, however it is important that we both recruit and train paramedics to maintain the level of care we continuously strive to provide on our ambulances. On August 18, the City was notified by Senator Shaheen's office that we were awarded a 2020 Assistance to Firefighters Grant (AFG) in the amount of \$373,954 to send four new candidates to paramedic school. These funds will cover tuition and overtime costs to backfill the positions. The City Manager said this was a big deal for Keene and a very large expense that was not able to go into our operational budget this year. She congratulated Chief Howard and all those who worked on this grant application (Deputy Chickering, Lt. Seymour, and FD Administrative Assistant, Kelly Derosier).

For the Public Works Department, the City of Keene received the Association of State Dam Safety Officials' 2021 Regional Award of Merit. The regional Awards of Merit are given to

individuals, companies, organizations, municipalities, or other entities working in the dam safety field that have made outstanding contributions to dam safety within each region. The award recognizes the City's efforts in addressing safety concerns of the City's five high hazard dams (Babbidge, Goose Pond, Robin Hood, West Street, and Woodard). The City has made substantial investments in these dams. Around 2009, NH Department of Environmental Services (DES) issued the City of Keene letters of deficiencies for four of the five high hazard dams. Following these notifications, the City developed a master plan to rehabilitate its dam inventory and prioritize public safety, while maintaining public services. Total reconstruction costs were approximately \$5.3 million dollars.

Next, the City Manager spoke of the significant flooding damage throughout the community during the month of July. FEMA toured the City a couple weeks ago and damage totals in the County are expected to exceed the amount (over \$2 million per event) to qualify for a Federal Emergency Declaration Request to the President. This would mean 75% of expenses made to repair our roads would be reimbursed through FEMA. The Public Works Department did an excellent job providing an overview of preliminary damages and necessary documentation. The City Manager said Keene is fortunate to have a Director of Public Works so well versed in FEMA requirements. Fortunately, the City Manager said with all the flooding damage and the record amount of rain in July, our Wastewater Treatment Plant performed extremely well. Since 2005, we have made significant investments in infrastructure: upgrading pumps, sewer main lining and replacement, manhole lining and replacement, cleaning programs to reduce grit buildup in the collection system, and increased maintenance and cleaning of our storm drain system. This July we received 17 inches of rain in comparison to the 15 inches we received back in 2005. In 2005 we had 14 NH DES permit violations and over 100 tons of grit from the collection system that ended up in the plant. In comparison, in July 2021 with two inches more rain, Keene had zero NH DES permit violations (with the even more stringent permit limits we now operate under) and just a fraction of the grit we received in 2005. Once again, the City's investments in infrastructure have paid off.

The City Manager provided updates on other initiatives. Keene signed onto an initiative with Eversource to encourage weatherization and energy efficiency. As part of National Energy Awareness Month in October there will be an effort to reach out to small businesses in the downtown. A joint letter is being sent to businesses in our downtown area offering free energy audits on September 14 and 15. Auditors will also be walking door-to-door. The audit is free and up to 100% of the cost can be covered by Eversource. The amount covered by Eversource is based on how much energy is saved versus the cost of any upgrades. The customer portion can be paid over time for 0% interest on their electric bill. The business is under no obligation to move forward with the proposal.

Regarding the sign at the Post Office used by non-profit groups to advertise their events, Peter Poanessa was issued a contract several months ago to design and construct a new sign stanchion in front of the Post Office that would allow for easier installation of event signs. Previously the signs were 4x8 foot plywood, which was very heavy and difficult to mount. New signage will be vinyl. The stanchion for the Post Office location has been constructed and installed. As part of

the contract, Mr. Poanessa will also be updating the stanchion at Fuller Park. The look will be very similar to the signs at various trailheads and the Walldogs signage on Railroad Square. This project involved Keene State College students who designed six backboards that will be posted during times when there is not a licensed event sign installed.

As the City Manager mentioned at prior meetings, Staff have been aggressively pursuing grants from a variety of sources and so far it appears they have been pretty successful. There is another large grant opportunity available through the US Economic Development Administration. Staff met with the County to request the assistance of their Grant Director, Suzanne Bansley, to with an application for funds for the Transportation Heritage Trail. It appeared the City would be successful getting phase one funded through an earmark working with Kuster's office for \$394,800 through a grant request we submitted a couple months ago. The entire project is estimated to cost \$2.5 million and right now construction is in the CIP for fiscal years 2026-2027, without a current revenue source and therefore it would likely be bonding. This would be an immense relief to our CIP if we were successful at getting the remaining funds through another grant. It would open-up the possibility of addressing some of our other pressing needs, like the Robin Hood Pool.

The City Manager continued providing a Covid-19 update; all Councilors received a memorandum from the Mayor. Positivity rates had increased in NH and New England, so the response team was meeting again weekly, beginning each meeting by discussing what each organization was witnessing. There had been recent positivity in Keene and so the City would be monitoring numbers and adjusting policies accordingly. The Emergency Management Team is adjusting to track positive contacts and follow the CDC recommendations related to travel and when quarantine and testing are required. Signs would be placed in City buildings recommending wearing face masks and face masks would be made available. New Hampshire has a mobile vaccine van that is available to be scheduled on their website. The Covid-19 van is available upon request for any size group across the state of New Hampshire at no cost. The Biden Administration announced on August 18 that Americans will be able to get a Covid-19 vaccine booster shot starting on September 20. The booster is still subject to authorization from the US Food and Drug Administration, but likely we will see booster shots become available in the near future. Further details were outlined in the Mayor's memo. This concluded the City Manager's report.

Mayor Hansel recognized Councilor Jones, who shared positive news of the youth-14 Babe Ruth Baseball team winning the NH and New England Championships before losing the world series in Iowa. He said everyone is proud of the team and volunteers who helped them. There is a team website where you can send messages of support to the team which is leading kids from throughout the region by example. There were team members from Keene, Fitzwilliam, Harrisville, and Swanzey. Mayor Hansel thought there would be more on this at a future Council meeting.

ORDINANCES FOR FIRST READING – RELATING TO THE RESTORATION OF INVOLUNTARY MERGED LOTS – ORDINANCE O-2021-11

A memorandum was received from Daniel Langille, City Assessor, recommending that Ordinance O-2021-11 relating to the Restoration of Involuntary Merged Lots have a first reading at the August 19, 2021 City Council Meeting and referred to the Finance, Organization, & Personnel Committee for a recommendation. Mayor Hansel referred Ordinance O-2021-11 to the Finance, Organization, & Personnel Committee.

ORDINANCE FOR FIRST READING - RELATING TO PROPOSED AMENDMENTS TO THE LAND DEVELOPMENT CODE – ORDINANCE O-2021-12

A memorandum was received from Tara Kessler, Senior Planner, recommending to refer Ordinance O-2021-12 to the Planning, Licenses, & Development Committee and to the Joint Committee of the Planning Board & Planning, Licenses, & Development Committee. Mayor Hansel referred Ordinance O-2021-12 to the Planning, Licenses, & Development Committee and to the Joint Committee of the Planning Board & Planning, Licenses, & Development Committee.

RESOLUTION R-2021-35 – RELATING TO THE APPROPRIATION OF FUNDS FROM THE CAPITAL RESERVE – PUMP STATION MARTEL COURT (08022) FOR MARTEL COURT PUMPING STATION EMERGENCY GENERATOR REPLACEMENT PROJECT (08099-18) AND THE REALLOCATION OF FUNDS – MARTEL COURT PUMPING STATION EMERGENCY GENERATOR REPLACEMENT

A Finance, Organization, & Personnel Committee report read on a vote of 3-0, recommending the adoption of Resolution R-2021-35 and recommending the City Manager be authorized to do all things necessary to reallocate \$18,224.85 of remaining fund balance from the Wastewater Treatment Plant Lighting Project (08104-21) to the Martel Court Pumping Station Emergency Generator Replacement Project (08099-18).

A motion by Councilor Powers to carry out the intent of the Committee report was duly seconded by Councilor Hooper and the motion passed with 14 Councilors present and voting in favor. Ward Three Council seat vacant.

A motion by Councilor Powers to adopt Resolution R-2021-35 was duly seconded by Councilor Hooper and the motion passed on a roll call vote with 14 Councilors present and voting in favor, Ward Three Council seat vacant.

RESOLUTION R-2021-36 – WATER MAIN REPAIR AND WAIVER OF PURCHASING REQUIREMENTS – WETMORE STREET AND WINCHESTER STREET EMERGENCY WATER MAIN REPAIR

A Finance, Organization, & Personnel Committee report read on a vote of 3-0, accepting the Wetmore Street and Winchester Street Emergency Water Main Repair as informational. Mayor Hansel filed the report as informational and that Resolution R-2021-36 be adopted.

A motion by Councilor Powers to adopt Resolution R-2021-36 was duly seconded by Councilor Hooper.

Councilor Jones asked if this would rectify the flooding problem identified in the communication from the Hilows earlier in the meeting and the City Manager said that this Resolution would not address that issue. On a roll call vote with 14 Councilors were present and voting in favor. Ward Three Council seat vacant. Resolution R-2021-36 declared adopted.

RESOLUTION R-2021-38 – RELATING TO THE APPROPRIATION OF FUNDS FROM THE SEWER FUND UNASSIGNED FUND BALANCE FOR THE WASTEWATER TREATMENT PLANT SOLAR PROJECT

A memorandum was received from the Director of Public Works, Kürt Blomquist, and Aaron Costa, Wastewater Treatment Plan Operations Manager, recommending the reading of Resolution R-2021-38 Relating to the Appropriation of funds from the Sewer Fund Unassigned Fund Balance for the Wastewater Treatment Plant (WWTP) Solar Project and referring to the Finance, Organization, & Personnel Committee. Mayor Hansel referred Resolution R-2021-38 to the Finance, Organization, & Personnel Committee.

ADJOURNMENT FOR COLLECTIVE BARGAINING – NEGOTIATED CONTRACT

At 8:50 PM a motion by Councilor Powers to adjourn for collective bargaining with outside legal counsel from Tom Closson under NH RSA 91:A was duly seconded by Councilor Bosley. On a showing of hands, 14 Councilors were present and voting in favor. Ward Three Council seat vacant. Discussion was limited to the subject matter. The meeting reconvened at 9:04 PM. A motion by Councilor Powers to authorize the City Manager to do all things necessary to execute the negotiated contract with the Keene Police Officer's Association, AFT-NH, AFT Local #6246 to be effective July 1, 2021 through June 30, 2025 was duly seconded by Councilor Bosley. On showing of hands, 14 Councilors were present and voting in favor. Ward Three Council seat vacant.

A true record, attest:



Deputy City Clerk



CITY OF KEENE NEW HAMPSHIRE

ITEM #B.1.

Meeting Date: September 2, 2021
To: Mayor and Keene City Council
From: Mayor George S. Hansel
Through: Patricia Little, City Clerk
Subject: **Confirmation**

- **Ashuelot River Park Advisory Board**

Council Action:

In City Council August 19, 2021.

Tabled the nomination until the next regular meeting for Ashuelot River Park Advisory Board. The Mayor withdrew the nomination for the Airport Development and Marketing Committee.

Recommendation:

Attachments:

None

Background:

I hereby nominate the following individual to serve on the designated Board or Commission:

Ashuelot River Park Advisory Board
Stephen Hooper, slot 1 City Councilor
5 Colby Street

Term to expire December 31, 2021



CITY OF KEENE NEW HAMPSHIRE

Meeting Date: September 2, 2021

To: Mayor and Keene City Council

From: Skye Stephenson

John & Lucinda McKeon
and Justin Wakefield & Shannon Martin

Through: Patricia Little, City Clerk

Subject: **Concerns Regarding Drainage - Barrett Avenue/Ingalls Street
Neighborhood**

Recommendation:

Attachments:

1. Communication_Barrett Avenue

Background:

Residents of the Barrett Avenue/Ingalls Street area are expressing concerns related to drainage in the area and asking for installation of an asphalt berm to minimize flooding.

1 September 2021

Patty Little, Clerk
City of Keene
3 Washington St.
Keene, NH 03431

To Mayor and Council:

It is with surprise and disappointment that a month has passed since we made this neighborhood request to consider the drainage problem on Barrett Avenue/Ingalls Street, and have not received any response from city staff. In any case, we feel that time is of the essence since the asphalt companies close operations in late October and we would like to avert the flooding of another very wet spring and summer next year.

We have included the August 3, 2021 letter to the Keene City Public Works Department for your consideration and ask that we be heard at the next meeting of the appropriate city council standing committee meeting to consider our request.

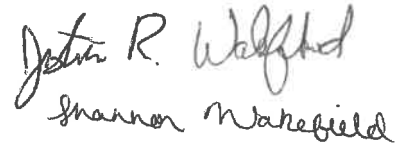
Sincerely,



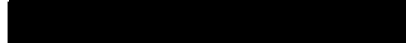
Skye Stephenson
14 Barrett Avenue
Keene, NH 03431



John & Lucinda McKeon
22 Barrett Avenue
Keene, NH 03431



Justin Wakefield & Shannon Martin
1 Marshall Street
Keene, NH 03431



August 3, 2021

To Kurt Blomquist:

We are writing as three adjoining homeowners on the east side of Barrett Avenue between the Ingalls Street and Marshall Street intersections to request the placement of an asphalt berm alongside the street leading from the McKeon's driveway to the drainage grate at the corner of Barrett Ave and Marshall Street. This is very much needed to help protect our houses from the rapid flow of waters as they course down hill from the summit of Ingalls Street. This is a suggestion brought forward in a recent discussion with an Assistant City Engineer as the most cost effective and helpful way to help alleviate our flooding issues.

It is worthwhile to point out that even though our side of Barrett Ave (which is the low side) sustains significant direct water flows during heavy rains from the downhill slope of Ingalls Street, there has not ever been a culvert here. Other intersections with lesser slopes do have culverts in our area. In addition, Barrett Ave as it passes by our houses has paving that is not well crowned, which adds yet more water flow issues into our properties (and basements).

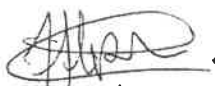
The neighborhood plot map from 1941 when the area was first developed indicates that our backyards, in particular 14 Barrett Avenue, is supposed to be the drainage area for this part of the neighborhood. At that time, there was no residence on the property, or the adjoining properties. It appears in the 1950s when the houses were built, the builders were not required to put in culverts at the intersection point of Barrett and Ingalls streets. Today, they most likely would have had to.

Given this situation combined with the weather patterns changes due to global warming, we kindly request that an asphalt berm be placed at the edge of our property lines and the street to help stem the flow of water and facilitate its movement to the nearest culvert. We have all experienced extensive groundwater flooding in our basements in the last two weeks that has caused property damage.

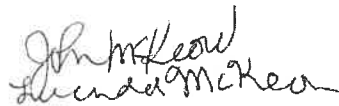
Last year two of us – the McKeon's and me – submitted a similar request to Public Works. Two members of the Department came to examine the property and indicated they would do some helpful remediation. We never heard back from them. We are hoping to have a more positive response this time.

Thank you for considering the petition and we are happy to provide additional information and documentation upon request. In our email submission, you will find attached visuals of the water flows and consequences on our street during heavy rain.

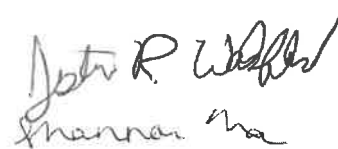
Sincerely,



Skye Stephenson
14 Barrett Avenue



John & Lucinda McKeon
22 Barrett Avenue



Justin Wakefield & Shannon Martin
1 Marshall Street

cc: City Manager



CITY OF KEENE NEW HAMPSHIRE

Meeting Date: September 2, 2021
To: Mayor and Keene City Council
From: Municipal Facilities, Services and Infrastructure Committee
Through:
Subject: Sidewalk Asset Management Plan – Director of Public Works

Recommendation:

On a roll call vote of 4-0, the Municipal Services, Facilities and Infrastructure Committee recommends to accept the sidewalk asset management plan presentation as informational.

Attachments:

None

Background:

Chair Manwaring welcomed the Director of Public Works, Kürt Blomquist, and City Engineer, Don Lussier. The Director of Public Works began by thanking his crews for their work during recent heavy rain events. The City Engineer continued his presentation from the previous meeting, specifically on the costs of replacing sidewalks per linear foot. The Committee would see a longer list of priorities during Capital Improvement Program (CIP) time.

The City Engineer recounted what he presented two MSFI meetings ago. The City owns and is responsible for about 53 miles of sidewalks. That includes approximately 23 miles of asphalt sidewalks and 30 miles of concrete sidewalks. He recalled that asphalt sidewalks are common but that concrete is preferred closer to the City center. The current network condition overall is scored as a 67 or C-. Overall, throughout the network, asphalt sidewalks are in much poorer condition, with an average score of 57 compared to concrete sidewalks at 74. The City Engineer showed examples of sidewalks at various scores. He said that very poor sidewalks scored 20 are exclusively asphalt. Going up in scale to scores of 40, more concrete sidewalks are seen with some tripping hazards that need attention. Scores of 60 to 80, for example, are in good to excellent condition and require very little work.

The City Engineer began discussing costs to achieve a particular level of service that the Council will decide, meaning the City-wide acceptable standard. He agreed with the Chair that it is difficult to choose an acceptable level of service without understanding the costs to achieve that level. Before the costs, the City Engineer reviewed the current City sidewalk standards. He said that the current section of City Code that addresses sidewalks is Section 70-127, which calls for the minimum five-foot sidewalks within residential zones and all other zones require six-foot widths, with a minimum four inches of concrete. While not listed in the City Code, there is a Department of Public Works

standard for where sidewalks cross driveways and where there are heavy truck crossings, where sidewalks must have a thicker cross section of eight inches. Additionally, the City Code states that where there is sufficient right of way there should be at least five feet from the travelled surface of the roadway to the sidewalk to create a buffer for pedestrians and to create a place where snow can gather in the winter. The Director of Public Works and the City Council have developed set policies for these standards over the years, specifically when there is significant repair over 100 feet, that section of sidewalk must be upgraded to meet current standards, meaning that the sidewalk must be concrete. However, the Department also gets complaints about a very discrete small area of isolated maintenance less than 100 feet and does spot repairs in kind, meaning that if it is asphalt today, then it would be replaced with asphalt at the same width. For example, crews would not install a five-foot sidewalk (standard) patch in an existing 4 foot asphalt sidewalk.

To begin the discussion of costs, the City Engineer discussed unit costs, such as how much it would cost to replace one linear foot of sidewalk at different condition levels. Then he would discuss overall programmatic costs to put this all into context. Beginning with very poor sidewalks, where it assumed that not just the asphalt surface has failed but the underlying gravel as well, creating heaves and what are called alligator cracks; he showed examples from Main Street, Colby Street, and Hardy Court. In these situations, the gravel has deteriorated because of the weather over time and fixing it properly would require removing the sidewalk, replacing the gravel, and building an entirely new sidewalk. To replace these asphalt sidewalks and bases it would cost \$65 per foot, which would upgrade the sidewalk to current concrete standards, which the Director of Public Works stated in response to Councilor Filiault. If a sidewalk is under 100 feet it is replaced in kind and if over 100 feet, it is replaced to meet the current concrete standard. Most work under 100 feet is done in-house. The City Engineer noted that costs discussed at this meeting would just be for the sidewalks and not any ancillary work that often goes along with sidewalks such as curbing or improvements to grass belts trees and drainage, which would all have to be done separately.

The City Engineer continued explaining that there are poor clusters of sidewalks throughout the City that need to be replaced but the underlying gravel can often be reused and smoothed. He showed examples from Main Street, Island Street, and Greenwood Avenue. For example, he showed a photo of a sidewalk sitting below the grass on either side of it in, for which case crews would go in and make the underlying gravel flush with the lawn so that the sidewalk does not fill with water every time it rains. In such a situation, the City reuses existing gravel, which brings costs down, but it is not a significant reduction in cost at approximately \$58 per square foot of gravel material.

The City Engineer continued discussing sidewalks categorized as fair with scores between 40 and 60. He showed examples from Main Street, Maple Avenue, and Roxbury Plaza. These fair sidewalks would have more varied costs as he depicted, from \$30-\$58 per linear foot. An existing concrete sidewalk scored in this fair range means that there are still sections in good condition and some sections that are in worse condition; those conditions are averaged to arrive at a unit price basis for a contract, which can be very expensive. However, when averaged across all sidewalks in the City, the cost is more reasonable, which is why there was a price range shown. Sidewalks that are currently scored as 60 or higher need very little work, essentially only spot repairs, which reduces prices dramatically. Once the City Council understands associated costs they can determine the acceptable level of service throughout the community, meaning the condition that the community finds to be reasonable and acceptable. The current score is a 67 or C- and if the City were to set a goal of raising that by one letter grade to B minus, 11.5 miles of sidewalk would need to be replaced, with approximately nine of those miles being asphalt sidewalks in poor condition below score 60 (\$2.72 million), and 2.5 miles of replacement would be of concrete sidewalks scored below 40 (60,000), with repairs to concrete walkways scored between 40-60 (\$390,000), and the total program cost would be \$3.2 million as priced today. The City Engineer said that upgrading sidewalks in this way is an obvious investment and it would take several years to accomplish.

The City Engineer continued discussing things to consider for prioritizing sidewalk upgrades. He said the current condition is one of the primary things that needs to be considered, but the City also wants to serve the highest number of people and give the benefit of sidewalks to the greatest number of people. Therefore, in determining a level of service, user demand should be considered. He said that current counts do not exist of how many people use every sidewalk in the City on a given day and to collect that information will be very expensive and time-consuming, so he does not suggest it. Instead, he suggested using the proximity of a section of sidewalk to a destination as a proxy for user demand so that sidewalks within 1/4 mile or 1/2 mile of a school, for example, would be given extra points and therefore higher priority; as opposed to a sidewalk that is far from anywhere someone might want to walk to, for example. He said the same would be true of recreational facilities, parks, playgrounds, and shopping destinations where the City wants to encourage sidewalk access.

The Director of Public Works continued explaining that during the road survey conducted a few years ago, there were notes of all the sidewalks in the City that presented tripping hazards, which he said should be given additional priority as safety concerns are always more important than aesthetics. At one time when talking about new sidewalks, the City Council had discussed long walksheds, which was the idea of prioritizing where people are coming from and going to. For example, the walkshed for a school was approximately 1/2 mile because today schools do not bus children living within 1/2 mile of the school, so an exception would be given to keep children within that distance safe. The same would be true with proximity to recreation facilities or within the commercial district based on standards for how long people are willing to walk to arrive at certain locations. The Director of Public Works said that the focus remains on repairing the small sidewalks that are most heavily used versus those that are less traveled. He used Adams St as an example of a main walk to a school that should have a higher rating than it currently does. Just like the road program, he said that this program would take a number of years as well, and he hoped these presentations gave the Committee an idea of the trajectory for a sidewalk asset management plan and the types of sidewalks that would be higher priorities for repair or replacement. The City Engineer added that the half mile range equates to essentially a 10-minute walk and if a typical walker proceeds at approximately 3mph, or a brisk pace, it would be considered a reasonable walk shed.

When discussing safety, Vice Chair Giacomo asked whether it was a discussion of the safety hazards caused by the sidewalks themselves or actual proximity to roadways, like talk in the last year of Eastern Avenue and Union Street, where the sidewalk is literally part of the road. He knew there were some other streets that were similar and said that taking safety into consideration is much more than a bump in the sidewalk creating a tripping hazard but other issues that are very dangerous like proximity to the street. From his perspective, the City Engineer said he first considers whether the sidewalk needs to be repaired and the Vice Chair's second question enters the issue of right-of-way limitations. When discussing Eastern Avenue for example, the Director of Public Works said that the right of way on the western side essentially reaches the front doors of most houses there, which was established when Eastern Avenue was built; because most homes were constructed on the east side of Eastern Avenue, that is where sidewalks were built. He said that unfortunately, under the current repair program such sidewalks are not being relocated and they typically replaced in their same location. In many of the City's older neighborhoods, many people do not realize that the City's right-of-way goes up to their front steps, which makes it challenging when talking about sidewalk replacement from an operational standpoint. The Director of Public works referred to "pick" streets, meaning that when snow is finished crews use equipment to pull snow from sidewalks and haul it away three to five days after a storm event to provide space for sidewalk use. Unfortunately, in the older areas of town, there is insufficient right-of-way.

Councilor Giacomo asked whether the Cheshire Rail Trail access points were considered as recreational facilities. The City Engineer thought that was a great question and asked the Committee

what they thought priority criteria should be, such as Rail Trail access. He welcomed Committee feedback. The Director of Public Works said he thought that in general, the Parks, Recreation, & Facilities team was always included in these decisions, and he thought the Parks, Recreation, & Facilities could be certainly included; he had not considered the access points but could certainly prioritize such facilities and the same would be true for high priority commercial areas, for example.

Councilor Williams provided feedback. He said that he wanted to see priority for user demand closer to where elderly or seniors live who could be at greater risk of tripping hazards or who may use the sidewalks more during the daytime. In many ways, the Councilor thought that a replacement and repair program could follow the housing density patterns in town, thinking that there would be much more demand outside of an apartment than a single-family home. He talked about flood areas, and he had learned something looking at recent flood damage, including a lot of pavements that have been underwater for a certain amounts of time and are no good anymore, shortening the lifespan, and requiring more frequent replacements. He said he thought that was true for Spring Street and Court Street, for example.

Councilor Filiault complimented City Staff and especially the Public Works Department for how they had handled recent flooding. He said that he knew the City standard was concrete but said that the Council also needed to consider the cost to taxpayers, stating that Councilors are always concerned about taxes and the budget. In his opinion, there are areas of Keene that do not need concrete sidewalks because they are perhaps less traveled, but sidewalks are still located there for safety. He knew some of those less used sidewalks needed to be replaced and thought that they could be easily fixed-up with asphalt; however, the City standard disallows such spot repairs because everything is required to be concrete. As a Council, he thought they needed to look at that sidewalk policy because, in his opinion, some areas simply do not need completely new concrete sidewalks when they could be easily fixed with asphalt and save money down the road. To his fellow Councilors, he said we really need to look at this policy and determine if there is a middle road, which he felt there certainly could be. The Public Works Director replied saying that was certainly a discussion that could occur. However, he said he did not want to delay this and said that when the CIP program comes forward, Councilors would have a better understanding of costs and impacts. The Public Works Department continued that before the Citywide concrete sidewalk standard, there were opportunities for different sidewalks in certain areas, with residential areas being asphalt sidewalks, for example. Of course, he said that concrete would last two times longer than asphalt, which was a deciding factor when the standard was enacted. This longevity was clear from the Main Street sidewalks that were installed in 1988, but he thought that it was important to start determining a funding profile through the City Manager. He said the concrete is a fairly good capital investment, but that the capital invested could be reduced by making certain choices like he described. He said this often goes back to an issue though of neighbors disagreeing because one has concrete sidewalks and another home four houses down has asphalt sidewalks. Councilor Filiault provided the example of one mile of asphalt and only 10-15 feet were in need of replacement and said officially right now, it would have to be replaced with concrete and suggested more spot repairs; he said he partially agreed with the Director of Public Works. In response to a comment by Councilor Filiault, the Director of Public Works cited past debates on leaf collection and said the goal is to always provide a cost-effective program.

Chair Manwaring recalled representing a minority opinion at previous meetings because she advocated for installing sidewalks in parts of the City where they lack currently, which concerns her. She said there are many locations, including to access the Rail Trail, where there are insufficient facilities for walkers to stand off the street, which makes her nervous. She asked Staff to imagine what could be done to address these issues. The Director of Public Works thought the Chair identified a few interesting challenges, with one being to create some space in the areas of Rail Trail crossings where people can wait or take a break, especially during winter months. He said that installing sidewalks in lesser-used remote locations presents another challenge, because the

Department does not have sufficient equipment to access and clear those areas in the winter. He thought it was worth looking at some of the areas in question to think about creating small stopping facilities for pedestrians to get out of the street when needed in more remote areas. He referred to the Chair's statement on Bradford Road and recalled that the Council approved a new sidewalk there, but the neighborhood defeated it because neither side of the street would accept the sidewalk. He recalled that some years back there was a program for new sidewalks that was frozen by the Council due to fiscal constraints and eight years passed with no new sidewalks constructed in the City. At this time, he suggested letting one CIP cycle pass to get the Council interested in new sidewalks again. He said the Community Development Department and Public Works Department worked together to consider how to prioritize new sidewalks, but part of the challenge is that it would be a long-term program that could take a decade to accomplish, at which point the requesting families' children are no longer walking the neighborhood. If the Council were interested, however, the Director of Public Works believed that there could be refocus on new sidewalks in the next CIP cycle to discuss locations and priorities. He recalled how expensive new sidewalks are because of ancillary issues like drainage, which could be double the costs of repairs or replacement alone. Historically, the Council has not wanted to take or pay for private land to install sidewalks, which was another issue on Bradford Road. As a good Director of Public Works, he wanted to start with caring for what the City already owns and ensuring it is at a reasonable level of service for the community before installing new sidewalk.

Vice Chair Giacomo said that by the time the \$3.2 million were spent, other sidewalks in town would have degraded further, particularly if the rain events of late continue. He said if Staff know what is expected to ongoing capital that would be needed after this initial capital investment. The City Engineer replied that it is an ongoing program that will never end but with current standards being concrete, the good news is that once everything is upgraded, the City can be sure that the lifespans of new infrastructure would exceed 50 years. He said that after initial investment would occur over a decade, the annual costs would decrease as it would be more for maintenance than replacement. From his experience, the Director of Public Works said that if considering a \$200,000/year repair program, which is something that could likely work from a fiscal and capacity standpoint, that is likely what the City would invest in perpetuity and costs would go up over time. When he began his position, the Director of Public Works said the City was spending less than \$250,000 annually on sidewalks, which increased to \$1 million annually for the next 20 years. He thought the Council's commitment to infrastructure over the long-term is important, such as the 1990s road program bringing that infrastructure to today's status; their commitment to sidewalks should pay off similarly. Still, the commitment to City sidewalks would take 10-20 years because sidewalks will always be deteriorating and needing repair. Vice Chair Giacomo said it was evident that once a sidewalk reaches a score of 40 it is not long before it declines to a 20 and asked if there were efficiencies to be gained by coupling sidewalks with already occurring road work. The Director of Public Works said that had been occurring in general, but the challenge comes if the road and sidewalk are not at matching conditions and a perfectly good sidewalk is repaired while a lower quality one elsewhere is not; people notice that. He said this program would be more about doing sidewalks independently, but we always try to combine the work.

The City Engineer said that the Director of Public Works made a good point about costs increasing over time. The costs presented at this meeting were based on present 2021 costs and recent project experiences over the last year, with projected 4.5% inflations. Therefore, when putting a sidewalk plan into the CIP, the \$3.2 million presented would change with time and increase each year. The Director of Public Works said the cost would increase annually with projections for inflation. He said the Council could choose to identify a funding level based on all other fiscal constraints but unfortunately over time, the scope will decrease. These discussions will be ongoing with the City Manager and Council through CIP and if the budget cannot contend with annual inflation, the Council could choose a specific dollar level investment. These are all things the Council must balance,

getting a certain amount of work done with a certain amount of fiscal responsibility to residents and the Director of Public Works said the Council does a good job.

The Chair asked the City Manager to provide a brief review of the CIP. The City Manager said that the CIP is the City's capital budget for the next six years, including projects known for beyond six years in the appendix. The CIP is updated comprehensively biannually and during the budget in off-CIP years, any items are amended as necessary for items that changed during the fiscal year. The CIP is for assets that are over \$20,000 and 10 years in life, and one challenge over time had been building capital reserve accounts. Over the past few CIPs, the City Manager said that more was added to the reserve accounts so that when a project is about to be awarded, there are funds ready. So, for a project like this, would involve initial outlay of cash in the beginning and eventually would move into a capital reserve account so that when ready to replace sidewalks in the future, the funds exist. This is how she tries to stabilize the impact on the municipal tax rate from these larger projects.

Councilor Williams noted that road projects are funded 80% by the federal government and asked if there were similar programs for sidewalks. The City Manager replied that bridge projects are eligible for funding. Additionally, when a project is in the state's 10-year plan, like the current Winchester Street project, 80% funding is available. Other road projects, such as Roxbury Street, fall on the taxpayer. She said there is no state or federal funding for sidewalks, but if there is a grant opportunity for roads, she tries to build sidewalks into the project, as with Winchester Street. The City Engineer said that Safe Routes to School and Transportation Alternatives Programs. For example, the Marlboro Street streetscapes project that was divorced from the utility project last year because the City received a grant that would pay for sidewalk improvements, crosswalks, pedestrian beacons, and connection to the Rail Trail. That grant is competitive. The Director of Public Works said that unfortunately the state of NH offers very little funding for this sort of work. Annually, the City gets a \$538,000 Block Grant from the state for roads; he said that compares to his approximately \$750,000 winter budget. He agreed with the City Manager that he works to tie ancillary work, like sewer and water, into road projects. Unfortunately, he would not say that is a regular type of program and maintaining a program will compete for dollars from the tax base.

Chair Manwaring recognized Councilor Mitch Greenwald, who asked the City Manager to review the short sheet of what is upcoming for sidewalks in the CIP. He wondered if somehow \$100,000 was available in fund balances, which the City Manager and Director of Public Works have access to, what the priority would be. The City Manager replied that the CIP has \$68,000 allotted for a mixture of miscellaneous repair and replacement; in fiscal year 2021, priority streets were Lamson Street, St. James Street, and School Street and in fiscal year 2022 priorities are Timberlane Road, Darling Road, and Old Walpole Road. She added that there are some funds available, and she advertised a request for proposals for a \$137,000 sidewalk project recently and received zero bids. Staff had a recent meeting about how to encourage bids, some of which had to do with timing post-Covid-19, and one idea from the City Engineer was to each year combine a sidewalk project with a miscellaneous road project so the bulk offer would be enough to attract multiple bids. She said that typically the contractor is interested in road projects but will subcontract out for the sidewalk work. Staff is also looking at whether there is a way to accomplish these \$50,000-\$100,000 sidewalk projects with the City's annual road work. Councilor Greenwald thought that his fellow Councilors would agree that they hear from constituents more and more about smaller projects, not necessarily on the roads the City Manager mentioned, and said that perhaps more spot repairs were needed. He agreed that finding someone to work this season was likely a lost cause and that accomplishing these tasks in-house would be difficult with Director of Public Works crews stretched thin. Councilor Greenwald asked Staff to pay attention to smaller contractors.

The Director of Public Works agreed with the City Manager's surprise that there were no bids for a \$137,000 contract. He said that there is a fairly limited pool of small contractors in the Monadnock

Region and a lot of work occurring. He referred a presentation at the next Finance, Organization, and Personnel Committee meeting on necessary emergency repairs, for which he was struggling to find contractors. Unfortunately, he did not think much more would be accomplished this year but the City Engineer was urged by the City Manager to begin working on next year's program, to continue addressing the worst areas in-house. Looking ahead, the Director of Public Works said storm recovery will be prioritized in August and leaf collection planning would begin soon as well to ensure the collection does not place undue demand on Public Works Department crews. He said that although Staff inventoried sidewalk conditions, he encouraged residents to use the See, Click, Fix app to report damaged sidewalks to the Public Works Department. The City Manager shared a story of using the app anonymously recently, how user-friendly it was, and how quickly crews resolved the concern. Councilor Williams also shared experience using the app and how quickly crews addressed his concern too.

Vice Chair Giacomo asked what the costs would be to bring all City sidewalks up to American Disability Association standards, which the \$3.2 million would for this work. Discussion ensued about the overall City score of 67 being an average. Vice Chair Giacomo asked what it would take to bring the overall City average to a 70 or 75. The Director of Public Works said that bringing a sidewalk up to a score 70 is less a linear cost and more so exponential because various levels are not evenly distributed; if the City wanted a level of service of 90, that would then include all the sidewalks ranked good today. The City Engineer agreed that would add many more sidewalks that are today in the 60—80 range and so to reach an average of 80, approximately 20% of the sidewalk inventory would need repair and replacement and the other 80% would not need immediate attention. Unfortunately the City Engineer said the 80/20 rule does not always work in reverse, and if only addressing 10% there would not be the same results, for example.

There were no further public questions.

Vice Chair Giacomo moved to accept the sidewalk asset management plan presentation as informational, which Councilor Filiault seconded, and the motion passed on a roll call vote of 4-0.

Chair Manwaring thanked the City Engineer and Director of Public Works for the report. The Director of Public Works said that he looked forward to the CIP discussion, when the Council will get into this issue more.



CITY OF KEENE NEW HAMPSHIRE

Meeting Date: September 2, 2021
To: Mayor and Keene City Council
From: Planning, Licenses and Development Committee
Through:
Subject: Keene Music Festival – Request to Use City Property – Music Fest

Recommendation:

On a vote of 5-0, the Planning, Licenses, and Development Committee recommends that The Keene Music Festival be granted a street fair license to use downtown City rights-of-way for purposes of conducting merchant sidewalk sales, as well as use of downtown City property on Central Square, Railroad Square, and designated parking spaces on Main Street to conduct the Keene Music Festival on September 4, 2021 from 9:00 AM to 10:30 PM.

In addition, the applicant is permitted to close off a portion of Railroad Street, from Main Street to the westerly entrance of the Wells Street Parking Garage, and a portion of Church Street from Main Street to the entrance of the Vision Financial parking lot. This permission is granted subject to the signing of a revocable license and indemnification agreement, submittal of a certificate of liability insurance in the amount of \$1,000,000 listing the City of Keene as an additional insured, submittal of a signed letter of permission from City Tire for use of their property, and compliance with any recommendations of City staff. In addition, the petitioner is granted use of the requested parking spaces free of charge under the provisions of the Free Parking Policy. Petitioner agrees to absorb the cost of any City services over and above any amount of City funding allocated in the FY 22 Community Events Budget. Said payment shall be made within 30-days of the date of invoicing.

Attachments:

None

Background:

Pablo Fleischmann of 37 Roxbury St. stated that he owns Green Energy Options. He continued that he has been helping organize the Keene Music Fest since its inception in 2001. He thanked the PLD Committee and the City Council for their support over the years. It is a great event for Keene. This year it is a little scaled back, but probably it will not feel like it the day of the event. He has the schedule, which is subject to change, and can answer any questions.

Kürt Blomquist, Public Works Director/Emergency Management Director, stated that Mr. Fleischmann missed saying that the Music Fest is next weekend, which is Labor Day weekend. He continued that staff is excited to see folks coming back and enjoying this event. This will be the 20th or 21st year of the Music Fest. Mr. Fleischmann has had several protocol meetings with staff and they have come

to agreement on all items. Staff recommends the Committee move forward with granting this license.

Councilor Jones stated that it does not seem like there is a City Council meeting happening before this event. Mr. Blomquist replied that the City Council meeting will be September 2. He continued that they are cutting it really close.

Chair Bosley asked if Mr. Fleischmann wants to talk about where the stages will be set up. Mr. Fleischmann replied that the event starts at 11:00 AM on September 4 and will be quiet by 9:59 PM. He continued that it is a "classic set-up," with stages at Railroad Square, Miller Brothers alley next to the construction of the Colonial Theater, Lamson St., the Central Square bandstand, City Tire, and the Toadstool Book Shop. He does not know the final tally, but there will be approximately 65 bands. It is a one-day event, and free. No one gets paid, other than the vendors for the portable toilets and the tents, as well as a couple of sound people.

Chair Bosley stated that this sounds like an incredible gift for everyone. She asked if there were any questions from the committee. Hearing none, she asked if members of the public had any questions. Hearing none, she asked for a motion.

Councilor Johnsen made the following motion, which was seconded by Councilor Greenwald.

By a vote of 5-0, the Planning, Licenses, and Development Committee recommends that The Keene Music Festival be granted a street fair license to use downtown City rights-of-way for purposes of conducting merchant sidewalk sales, as well as use of downtown City property on Central Square, Railroad Square, and designated parking spaces on Main Street to conduct the Keene Music Festival on September 4, 2021 from 9:00 AM to 10:30 PM.

In addition, the applicant is permitted to close off a portion of Railroad Street, from Main Street to the westerly entrance of the Wells Street Parking Garage, and a portion of Church Street from Main Street to the entrance of the Vision Financial parking lot. This permission is granted subject to the signing of a revocable license and indemnification agreement, submittal of a certificate of liability insurance in the amount of \$1,000,000 listing the City of Keene as an additional insured, submittal of a signed letter of permission from City Tire for use of their property, and compliance with any recommendations of City staff. In addition, the petitioner is granted use of the requested parking spaces free of charge under the provisions of the Free Parking Policy. Petitioner agrees to absorb the cost of any City services over and above any amount of City funding allocated in the FY 22 Community Events Budget. Said payment shall be made within 30-days of the date of invoicing.



CITY OF KEENE NEW HAMPSHIRE

Meeting Date: September 2, 2021
To: Mayor and Keene City Council
From: Planning, Licenses and Development Committee
Through:
Subject: Keene Elm City Rotary Club – Request to Use City Property – Clarence DeMar Marathon

Recommendation:

On a vote of 5-0, the Planning, Licenses, and Development Committee recommends that the Elm City Rotary Club be granted permission to sponsor the Clarence DeMar Marathon on September 26, 2021, subject to the signing of a revocable license and indemnification agreement and the submittal of a certificate of liability insurance in the amount of \$1,000,000 listing the City of Keene as an additional insured. This license is conditional upon the petitioners providing an adequate number of volunteer race marshals to ensure runner safety along the course, and subject to any recommendations of City staff. Petitioner agrees to absorb the cost of any City services over and above any amount of City funding allocated in the FY 22 Community Events Budget. Said payment shall be made within 30-days of the date of invoicing.

Attachments:

None

Background:

Chair Bosley asked to hear from Alan Stroshine. Alan Stroshine of 27 Salisbury Rd. stated that he is a member of the Keene Elm City Rotary Club and Race Director of the Clarence DeMar Marathon. He continued that he is respectfully requesting, again, an event permit to put on the 43rd running of the Clarence DeMar Marathon and the 7th running of the Clarence DeMar Half Marathon.

Chair Bosley stated that she thinks they are all very familiar with this event. She continued that her children have run the marathon many times. She asked to hear from Mr. Blomquist.

Mr. Blomquist stated that Mr. Stroshine has had protocol meetings with staff and they have gone through the issues. He continued that staff recommends the Committee grant the license.

Councilor Jones stated that it is great to have these events again, and he thanked Mr. Stroshine for all he does. Chair Bosley replied that she seconds that. She continued that her daughter is excited to do this marathon again, and it is on her bucket list to do at least the half marathon someday.

Mr. Stroshine stated that Kathrine Switzer, the first woman to officially run the Boston Marathon, delivered one of his favorite quotes: "If you ever start losing faith in human nature, come out and watch a marathon." He continued that it will lift your spirits, no doubt.

Chair Bosley asked if members of the public had any questions. Hearing none, she asked for a motion.

Councilor Greenwald made the following motion, which was seconded by Councilor Jones.

By a vote of 5-0, the Planning, Licenses, and Development Committee recommends that the Elm City Rotary Club be granted permission to sponsor the Clarence DeMar Marathon on September 26, 2021, subject to the signing of a revocable license and indemnification agreement and the submittal of a certificate of liability insurance in the amount of \$1,000,000 listing the City of Keene as an additional insured. This license is conditional upon the petitioners providing an adequate number of volunteer race marshals to ensure runner safety along the course, and subject to any recommendations of City staff. Petitioner agrees to absorb the cost of any City services over and above any amount of City funding allocated in the FY 22 Community Events Budget. Said payment shall be made within 30-days of the date of invoicing.



CITY OF KEENE NEW HAMPSHIRE

Meeting Date: September 2, 2021
To: Mayor and Keene City Council
From: Planning, Licenses and Development Committee
Through:
Subject: **Negotiate Lease of Airport Property – Airport Director**

Recommendation:

On a vote of 5-0, the Planning, Licenses, and Development Committee recommends that the City Manager be authorized to do all things necessary to negotiate and execute a lease with Avanru Development for the construction and use of a corporate aircraft hangar at the Keene Dillant-Hopkins Airport.

Attachments:

None

Background:

Chair Bosley asked to hear from Airport Director David Hickling.

David Hickling stated that the Keene community has a great airport, as shown by the fact that many people want to base their airplanes here. He continued that they actually have a hangar shortage and many people waiting to get in. There are people showing interest in developing hangars. The first one he is bringing forward to the Committee is Jack Franks of Avanru Development, a local developer with an aviation background. He has expressed interest in leasing some land to develop a corporate-sized hangar, which would be able to house corporate jets the Airport cannot currently put in hangars. This would be a great benefit for the Airport and the community. The Airport would like the Committee's recommendation that the City Manager be authorized to do all things necessary to negotiate and execute a lease with Avanru Development for this hangar.

Councilor Greenwald stated that as the City Council's representative on the Airport Marketing and Development Committee, he can say that the AMDC discussed this and is in favor of this project.

Councilor Jones stated that many years ago, the City Council set a goal, in the Operating Budget, to lower the subsidy of the Keene Airport, and this is a great step towards that. He thanked Mr. Hickling and stated that he looks forward to this. He hopes the contract works out.

Chair Bosley asked if members of the public had any questions. Hearing none, she asked for a motion.

Councilor Workman made the following motion, which was seconded by Councilor Jones.

By a vote of 5-0, the Planning, Licenses, and Development Committee recommends that the City Manager be authorized to do all things necessary to negotiate and execute a lease with Avanru Development for the construction and use of a corporate aircraft hangar at the Keene Dillant-Hopkins Airport.



CITY OF KEENE NEW HAMPSHIRE

Meeting Date: September 2, 2021
To: Mayor and Keene City Council
From: Finance, Organization and Personnel Committee
Through:
Subject: **Acceptance of Donation - Human Rights Committee - Parks, Recreation and Facilities Director**

Recommendation:

On 4-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept a donation of \$1,000.00 from Savings Bank of Walpole and that the money is used for the Human Rights Committee collaboration with the Keene International Festival.

Attachments:

None

Background:

Parks, Recreation and Facilities Director Andrew Bohannon stated he is before the committee regarding a donation of \$1,000 from Savings Bank of Walpole for the Keene International Festival which will be taking place in September at the Recreation Center. It used to be a three-hour event in the past but this year it is scheduled as a four-hour event, however, Covid looming can change those decisions. African Drumming will not be at the event this year, but Bollywood dancing will be. Mr. Bohannon encouraged people to attend this event. He thanked Savings Bank of Walpole for their continued support.

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

On 4-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept a donation of \$1,000.00 from Savings Bank of Walpole and that the money is used for the Human Rights Committee collaboration with the Keene International Festival.



CITY OF KEENE NEW HAMPSHIRE

ITEM #D.6.

Meeting Date: September 2, 2021
To: Mayor and Keene City Council
From: Finance, Organization and Personnel Committee
Through:
Subject: **Paul Dubriske - Request to Acquire Land Adjacent to Property at 454 Elm Street**

Recommendation:

On 4-0 vote, the Finance, Organization and Personnel Committee recommends the request from Mr. Dubriske be referred to the City Manager.

Attachments:

None

Background:

Mr. Paul Dubriske addressed the committee and introduced his son Christopher who has been working on this project with the Public Works Director. Mr. Dubriske explained in 1977 when the state constructed a new highway across Elm Street they took property by eminent domain and then turned around and sold that property and noted it was his sister who purchased the property at that time. In 1977, there was a strip of land right in front of the property that borders the property and Elm Street - he wasn't sure of the ownership status of it. He noted he was before the committee to see if a portion of land in this location could be made part of his property.

Public Works Director Kurt Blomquist with reference to a plan, stated Mr. Dubriske is interested in acquiring some right of way land from the City of Keene to add to his property. Mr. Dubriske's property is located at 454 Elm Street. In 1977 the State moved forward with the construction of Route 12, which ended up requiring a relocation Elm Street. Mr. Blomquist noted to a waterline in this area.

Mr. Blomquist stated one of the things he will be looking for, should Council ultimately vote to move forward, is to maintain some type of right away approximately 50-55 feet as well as an easement over the water main. The current utility standards would require a 25 foot utility easement centered on the water main for future access.

Mr. Blomquist referenced a map of the location of the state right away, Route 12, the bridge, 454 Elm Street. In 1977 the State went through a layout taking process and noted to the area in yellow which is the area (western border of Elm Street).

Mr. Blomquist stated he has found a letter from 1980 from the Commissioner of DOT that designated

this area as a Class IV Highway; he explained a Class IV Highway is a state owned highway maintained by the city. He stated he has not found any documents that suggests the property underneath the relocated Elm Street was ever turned over to the city.

In 1996 the adjacent property owner contacted the State about doing the same thing Mr. Dubriske is suggesting today. At that time the State indicated any funds received from the right of way would have to go back to the State and Federal Government as it was purchased with State and Federal monies.

Some of the actions that would need to be taken: The old Elm Street layout was never discontinued so this could still be a public highway. Hence, the Council would need to take action to discontinue that particular area and do another layout for the new boundaries the city would want. An easement for the water line would need to be put in place. Depending on who owns the underlying land there will need to be some property exchanges via a quitclaim deed.

Mr. Blomquist stated the applicant is aware this is not an item that will be resolved quickly since it involves NHDOT. He added staff is encouraging the applicant to have a conversation with his neighbor because it would makes sense for the city to complete the same work on the opposite side.

Mr. Blomquist stated for tonight staff is recommending the committee refer this to the Manager's Office because there are more actions and conversations that need to happen and it would not make sense for this item to remain on the committee's More Time Agenda.

The Manager asked how much property the applicant was looking to acquire. Mr. Blomquist stated it is the applicant's desire to get as much as they can from the city. He indicated he would like to retain an easement on top of the water main which would restrict any kind of construction of buildings to prevent access to the main and also maintain a right away of approximately 50-55 feet. The Director stated he wasn't sure about how much can be given to the property owner, this is yet to be determined.

Councilor Remy stated he would like to be consistent with the rest of the property which seems to be about 80 feet.

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

On 4-0 vote, the Finance, Organization and Personnel Committee recommends the request from Mr. Dubriske be referred to the City Manager.



CITY OF KEENE NEW HAMPSHIRE

Meeting Date: September 2, 2021
To: Mayor and Keene City Council
From: Finance, Organization and Personnel Committee
Through:
Subject: **West Keene Fire Station Feasibility Study Report - Parks, Recreation and Facilities Department**

Recommendation:

On 4-0 vote, the Finance, Organization and Personnel Committee recommends the City Council accept the recommendations of the West Keene Station 2 Feasibility Study report as informational, and that the staff move forward with the Capital Improvement Planning process.

Attachments:

None

Background:

Fire Chief Mark Howard and Parks Recreation and Facilities Director Andy Bohannon were the next two speakers. Mr. Bohannon stated at the last Council meeting staff presented the architect and conceptual design study for the West Keene Station. He indicated what they are bringing forward today would potentially impact the Capital Improvement Program which staff is in the process of putting together at this time.

Mr. Bohannon stated it is important for the Council to understand this particular report and the programming component was not for 2021 but for 2040 (what we would look like in the future). The other issue is the notion the City would be building new versus renovating. Mr. Bohannon agreed there is a plenty of space within the current building but stated the department does not need 22,000 square feet of space for a substation. In addition there is a lot of work that needs to be at this location; for example, the apparatus bay that exists currently has no drainage – it is a concrete slab, meant for artillery vehicles. Mr. Bohannon stated there are many such examples with this building which are all outlined in the report.

Councilor Hooper made the following motion, which was seconded by Councilor Chadbourne. On 4-0 vote, the Finance, Organization and Personnel Committee recommends the City Council accept the recommendations of the West Keene Station 2 Feasibility Study report as informational, and that the staff move forward with the Capital Improvement Planning process.



CITY OF KEENE NEW HAMPSHIRE

Meeting Date: September 2, 2021
To: Mayor and Keene City Council
From: Finance, Organization and Personnel Committee
Through:
Subject: **Acceptance of the 2020 Assistance to Firefighters Grant (AFG) - Fire Department**

Recommendation:

On 4-0 vote, the Finance, Organization and Personnel Committee recommends that the City Council authorize the City Manager to do all things necessary to accept the FY 2020 Assistance to Firefighters Grant.

Attachments:

None

Background:

Fire Chief Howard addressed the committee and stated this item is regarding the 2020 Assistance to Firefighters grant. Chief Howard stated he wanted to thank three key people within the department that authored this grant and submitted same. Kelly Desrosiers, Department Administrator, Lieutenant Greg Seymour, and Deputy Chief Jeff Chickering.

Chief Howard noted to be eligible for the funds the City must accept the award package contained in the FEMA Go website within 30 days from the announcement of the grant award. On August 20, 2021 the Fire Department was notified by FEMA that the City was awarded a federal share of \$373,954.18 to put four personnel through a paramedic program. The City's 10% match of the grant is \$37,395.42, which the department plans to fund through two training accounts in the department's operating budget.

The grant will fund the costs associated with the enrollment of the four personnel to attend the paramedic program, which is 1500 hours. All costs for tuition, books, over time for personnel attending, clinicals, as well as overtime cost to backfill those attending will be covered under this grant.

Chief Howard stated this grant will tremendously assist the department to be able to send not just one but four personnel at the same time. He added it is the objective of the Fire Department to increase the number of shift level paramedics by utilizing employees that are currently in good standing with the department and possess the drive and the ability to be successful in the role of paramedic. The department has made multiple attempts to increase its paramedic staffing by

recruiting new paramedics from other departments to apply when vacancies occur. However, despite the department's best efforts, the number of paramedics has decreased. Since 2018, the department has been able to hire one paramedic out of nine hires. Currently the department has 12 paramedics within the department, two of which are the Deputy Chief and the Fire Chief and two others are shift commanders – which really leaves the department with eight and this program would bring them back up to 12.

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

On 4-0 vote, the Finance, Organization and Personnel Committee recommends that the City Council authorize the City Manager to do all things necessary to accept the FY 2020 Assistance to Firefighters Grant.



CITY OF KEENE NEW HAMPSHIRE

Meeting Date: September 2, 2021
To: Mayor and Keene City Council
From: Finance, Organization and Personnel Committee
Through:
Subject: **Drinking Water and Ground Water Trust Fund Grant Application
Authorization - Public Works Department**

Recommendation:

On 4-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to submit funding applications to the New Hampshire Drinking Water and Groundwater Trust for all eligible water system infrastructure or groundwater projects.

Attachments:

None

Background:

Public Works Director/ Emergency Management Director Kurt Blomquist addressed the committee again. Mr. Blomquist stated several years ago based on the MBTE lawsuit, States were awarded a cash award; dealing with the petroleum companies and contamination of drinking water. At that time the State established the Drinking Water and Groundwater Trust Fund under RSA 485 F.

In that process as part of that trust fund they established an advisory committee. The role of this advisory committee is to provide grants and loans to communities in water systems for projects that they deem are appropriate for use of these funds

The State estimates about \$50 million will be coming into DES for various water, wastewater, storm water projects through the American Recovery Act. This particular funding agency has the requirement that the Chief Executive Officer of a community or the select board has to be authorized to submit the application.

Mr. Blomquist stated this evening, staff is requesting the Manager be given the authority to apply for any appropriate eligible water infrastructure projects.

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

On 4-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to submit funding applications to the New

Hampshire Drinking Water and Groundwater Trust for all eligible water system infrastructure or groundwater projects.



CITY OF KEENE NEW HAMPSHIRE

ITEM #D.10.

Meeting Date: September 2, 2021
To: Mayor and Keene City Council
From: Finance, Organization and Personnel Committee
Through:
Subject: **Evaluation Process for Charter Employees - Councilor Thomas F. Powers**

Recommendation:

On 4-0 vote, the Finance, Organization and Personnel Committee recommends that a standard, automated form be used for the evaluation of the three Charter Officers and that the annual evaluation process involve a meeting with the full City Council to discuss each Charter Officer's past and future goals and that a) *the Finance Committee* or b) *the Chairs of the three Standing Committees* finalize the evaluation process with an informational copy of the final evaluation shared with the full City Council.

Attachments:

None

Background:

Chair Powers addressed the committee relative to the final item on the agenda which is the evaluation process for charter employees. Prior to Covid Councilor Manwaring had sent a letter to the council and asked that a review of that process be undertaken and the item was assigned to the FOP Committee. At the last meeting, inadvertently the points Councilor Manwaring wanted to raise did not get included. Hence, the item is back before the FOP with more changes made and to allow the process to occur in an automated format.

What is being suggested is that each employee will do their pre-evaluation discussion, then it will go to each member of the City Council who will log in to the city system and fill out the form. After which time the employee will meet with the entire City Council to discuss that structured format based on the information. Based upon those discussions and the information, a final wrap up will be conducted. Some would like the matter to be sent back to Finance, some want to keep it the way it was with just the three Committee Chairs and others would like it going before the full City Council and then wrap it up with the three Chairs and the Mayor.

Chair Powers asked for Councilor Manwaring's comments. She indicated she supports meeting with the charter employee and discussing their goals and aspirations for the year and then the Chairs wrapping up the process. She indicated having served as Chair of the MSFI Committee, comments provided by councilors was taken into account and discussed with the charter employee.

Councilor Manwaring asked the City Attorney whether the meeting with charter employee is a non-public session. City Attorney Mullins stated it would be a part of personnel matters under RSA 91-A, keeping in mind that when the whole process is finished other parts of the statute apply but during the meeting with the City Council it would be a non-public session.

Chair Powers stressed this process is only going to be as good as the participation. The proposed process makes it very easy for every city councilor to log in and complete what they need to do.

Chair Powers asked for consensus as to whether the final step should be the Finance Committee or the three Chairs.

Chair Remy stated he like the idea of meeting with the council and then have the process completed by the chairs. He asked for the charter employee's comments on that.

The City Manager felt this was a good process. She felt meeting with the full council will be helpful and then wrapping it up with the committee chairs is the right group, because they spend the most time with the committee chairs preparing for all the agendas and meetings.

Councilor Hooper agreed with the Manager.

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

On 4-0 vote, the Finance, Organization and Personnel Committee recommends that a standard, automated form be used for the evaluation of the three Charter Officers and that the annual evaluation process involve a meeting with the full City Council to discuss each Charter Officer's past and future goals and that a) *the Finance Committee* or b) *the Chairs of the three Standing Committees* finalize the evaluation process with an informational copy of the final evaluation shared with the full City Council.



CITY OF KEENE NEW HAMPSHIRE

Meeting Date: September 2, 2021
To: Mayor and Keene City Council
From: Finance, Organization and Personnel Committee
Through: Finance, Organization and Personnel Committee
Subject: **Relating to the Restoration of Involuntary Merged Lots
Ordinance O-2021-11-A**

Recommendation:

On 4-0 vote, the Finance, Organization and Personnel Committee recommends amending Ordinance O-2021-11.

On 4-0 vote, the Finance, Organization and Personnel Committee recommends adoption of Ordinance O-2021-11-A.

Attachments:

1. O-2021-11-A
2. O-2021-11-A_redlined

Background:

City Assessor Dan Langille stated he was before the committee to address Ordinance O-2021-11, relating to the Restoration of Involuntary Merged Lots. He explained involuntary merged lots are when a property owner owns two adjacent lots and at some point time the municipality took it upon themselves to merge those into one lot. This process was not unique to Keene and was something that was done throughout the state.

Mr. Langille stated there was never any written legal description or agreement put in place that was registered with the deed so that's why it was involuntary. This however, could cause a number of problems for the property owner when they try to transfer that property to someone else. Mr. Langille stated if issues such as this are noted, his office would help the owner rectify the issue.

There seems to be some sort of issue that has now been recognized and the legislature has taken it upon themselves to come up with a process, which is RSA 674 39- AA; for the governing body to make the decision in order to restore these properties.

For Keene how the process would work is that when a property owner finds his originally one lot is not two and wants it restored, he has to send a letter to the City Council. The council would then refer that to a committee and perhaps direct staff to do research and it will ultimately go back to the

Council for a decision. At a minimum, this could be a three week process. However, if the council goes on vacation, that process can stretch out even longer. He added the City can't make the determination whether it should be merged or not or whether it makes sense for that neighborhood; if it was two lots the city has to restore them.

Mr. Langille noted RSA 674 39- AA says *municipalities may adopt local ordinances It can restore previously merged properties in a less restrictive manner.* He noted this is what he is looking for, since his department would be involved with this restoration and will be doing the research and making a recommendation, it makes sense to streamline the process and make it easier for taxpayers to give the assessing department the authority to make that determination instead of having the taxpayers attend multiple meetings and everything else.

Mr. Langille called the committee's attention to #3 of the ordinance and suggested removal of the last sentence – it is not necessarily required that the property owner always file an application with the city because often times when researching deeds and properties, these mistakes are found, staff will notify the taxpayer that their property that is supposed to be just one lot is now two and whether they would like the city to restore it. The voluntary merger is an easy process, it's an application with a \$16 filing fee to the Registry of Deeds.

Councilor Chadbourne asked whether staff has identified any of these lost. Mr. Langille stated staff has identified a few. Councilor Chadbourne clarified property owners will be notified by mail. Mr. Langille answered in the affirmative.

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

On 4-0 vote, the Finance, Organization and Personnel Committee recommends amending Ordinance O-2021-11.

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

On 4-0 vote, the Finance, Organization and Personnel Committee recommends adoption of Ordinance O-2021-11-A.



CITY OF KEENE

Ordinance O-2021-11- A

Twenty-one

In the Year of Our Lord Two Thousand and

AN ORDINANCE **Relating to Restoration of Involuntary Merged Lots**

Be it ordained by the City Council of the City of Keene, as follows:

That the Ordinances of the City of Keene, as amended, are hereby further amended by adding the bolded text to Section 2-306 "Functions" of Division 3 "Assessment" of Article IV "Departments" of Chapter 2 entitled "Administration" as follows:

DIVISION 3. - ASSESSMENT

Sec. 2-306. - Functions.

The major functions of the assessment department are to:

- (1) In accordance with state law, maintain a continually updated assessment tax roll which provides for the equitable allocation of property taxes in proportion to market value.
- (2) Serve as an information resource to the general public.
- (3) In accordance with RSA 674:39-AA, the City Assessor is authorized to restore involuntary merged lots.**

George S. Hansel, Mayor

Twenty-one

Relating to Restoration of Involuntary Merged Lots

That the Ordinances of the City of Keene, as amended, are hereby further amended by adding the bolded text to Section 2-306 "Functions" of Division 3 "Assessment" of Article IV "Departments" of Chapter 2 entitled "Administration" as follows:

DIVISION 3. - ASSESSMENT

Sec. 2-306. - Functions.

The major functions of the assessment department are to:

(1) In accordance with state law, maintain a continually updated assessment tax roll which provides for the equitable allocation of property taxes in proportion to market value.

(2) Serve as an information resource to the general public.

(3) In accordance with RSA 674:39-AA, the City Assessor is authorized to restore involuntary merged lots. Requests are to be submitted by the owner to the Assessing Department for review and action.

George S. Hansel, Mayor



CITY OF KEENE NEW HAMPSHIRE

ITEM #K.1.

Meeting Date: September 2, 2021
To: Mayor and Keene City Council
From: Merri Howe, Finance Director/Treasurer
Through: Elizabeth Dragon, City Manager
Subject: **Relating to FY22 Fiscal Policies
Resolution R-2021-37**

Recommendation:

That Resolution R-2021-37 relating FY22 Fiscal Policies has a first reading in front of the City Council and be referred to the Finance, Organization and Personnel Committee.

Attachments:

1. Resolution R-2021-37
2. R-2021-37 Fiscal policy WITH_ Markup

Background:

Shortly after the beginning of each new fiscal year, the fiscal policies of the City are reviewed and updated to provide guidance for fiscal management and decision making. This is also the time of year when the City Manager and staff start planning for the next fiscal year and the budget.

The update to the fiscal policies is the first step in the budget process. This document sets the boundaries for which both the Capital Improvements Program and City operating budget need to stay within while providing direction that incorporates City Council goals and objectives.

Updates for the FY2022 Fiscal Policies include incorporating the newly adopted City Council goals and strategic governance. By doing so, the funding source become linked to the City's planning documents, providing two key elements to move the City towards its goals.

Outside Agencies and the process for selecting the agencies to be funded and amounts is touched upon in this year's fiscal policy reiterating the application and joint staff and council committee selection process.

Throughout the document, items needing housekeeping attention are addressed as well as clarification on submission of a memo for approval vs. a resolution for adoption as it related to the transfer of funds. In addition, language has been added pertaining to the presentation of Capital Reserve activity in the CIP stating the monetary limitation is not applicable.

Deletions include the removal of resolution R-2020-10A Related to Emergency Management which ended on June 30, 2021. The remaining changes relate to corrections and minor wording adjustments.



CITY OF KEENE

R-2021-37

In the Year of Our Lord Two Thousand and Twenty-one

Relating to FISCAL POLICIES

A RESOLUTION

Resolved by the City Council of the City of Keene, as follows:

WHEREAS: the National Advisory Council on State and Local Budgeting (NACSLB) has developed a comprehensive set of recommended practices on budgeting; and

WHEREAS: one key component of those recommended practices calls for the adoption of fiscal policies by the local legislative body to help frame resource allocation decisions; and

WHEREAS: the Government Finance Officers' Association (GFOA) has endorsed the recommended practice developed by the NACSLB; and

WHEREAS: it is the intent of the City Council, by this resolution, to articulate this financial blueprint as clearly and completely as possible.

NOW, THEREFORE, BE IT RESOLVED that the fiscal policy should be reviewed and adopted by the City Council on an annual basis effective July 1, superseding any prior fiscal policies and

NOW, THEREFORE, BE IT FURTHER RESOLVED by the City Council of the City of Keene that its fiscal policies are as follows:

PART 1 – Budgetary Policies

Strategic Governance links both operational and capital budgets to long term goals established by the City's Master Plan and prioritized through the City Council goal's process. Departments prepare budgets with proposed strategies to advance the goals of the Master Plan along with three to five Council priorities which have been stated as outcome focused goals. Budget strategies may involve multiple years of investment above and beyond the City's base budget. This budget strategy is a hybrid of the priority based and the more traditional base budgeting approach. Priority based budgeting helps the city work towards its high level goals and ensures budget dollars are tied to community and council priorities and desired outcomes. The base budgeting approach separates budget items which are supplemental requests from those that are included in the base budget. The base budget is the amount required to maintain the current level of services.

I. Budget

- A. The City shall annually adopt and appropriate budgets for the following funds
 - 1) General Fund
 - 2) Parking Fund
 - 3) PC Replacement Fund
 - 4) Solid Waste Fund
 - 5) Sewer Fund
 - 6) Water Fund

PASSED

7) Equipment Fund

- B. All appropriated budgets shall be balanced.
- C. All appropriations for annual operating budgets (exclusive of capital projects) shall lapse at fiscal year-end unless encumbered by a City of Keene purchase order that is recorded in the financial system on or before June 30th of any year, or as authorized by the City Manager in writing, on a case-by-case basis. Those encumbrances shall be reported to the City Council in an informational memorandum by the first week of October each year.
- D. All departments are authorized to vary actual departmental spending from line item estimates provided the total departmental budget is not exceeded within each fund; provided, however, that any item specifically eliminated by the City Council during budget approval cannot be purchased from another line item without City Council approval.
- E. Outside Agencies seeking funding from the City shall complete an application substantiating their request, the necessity of the services provided, and financial impact on the City if services were not provided. All applicants shall meet eligibility criteria set by the City and eligible applications shall be reviewed by a committee consisting of at least 2 City Councilors, and representation from Human Services, Finance, Community Development, and Police Departments. The committee shall put forth a list of Outside Agencies to the City Manager with recommended funding to be included in the budget.
- F. Any unexpended funds in a personnel line related to a vacancy cannot be expended without prior approval from the City Manager and the City Council unless funds are being expended to fill a vacancy, recruiting, or to employ temporary help including professional and contract services.
- G. A periodic budget status report for each fund will be provided to the City Council.
- H. The budget document shall provide multi-year projections of revenues and expenditures/expenses including property taxes and utility (water and sewer) rates.
- I. The budget will take into consideration the City's Policies on unassigned Fund Balance projected at the end of June.
- J. The City of Keene will contain its General Fund debt service, on a five (5) year average, at or less than twelve percent (12%) of the General Fund operating budget.
- K. Upon completion of any project, any residual funds shall be returned to the fund that provided the original appropriation.
- L. Property Taxes.
 - 1) The City shall limit its property tax revenue increases to a rolling three (3) year average of the Boston-Cambridge-Newton, (MA-NH) CPI net of expenditures required by law, and excluding debt service payments and capital leases. The City chooses to utilize the CPI, not because it reflects inflation in the City's costs, but because it reflects the overall inflation in what citizens purchase. This manages City spending such that increases in a citizen's tax bill are in line with increases in all of their other expenses. The goal is to have the cost of City services as a percentage of a taxpayer's total expenses remain constant.

- 2) Property Tax Credits and Exemptions.
All exemptions and credits will be reviewed with the City Council at least every five (5) years in conjunction with the City revaluation unless there are legislative changes that cause a review to occur on a more frequent basis.
- 3) The State has chosen to solve its revenue problem by downshifting expenses to the local communities and tapping into the broad based property tax at the local level. Downshifting is an effective strategy for the State; however, it is unsustainable at the local level and would quickly lead to a significant reduction in City services. The City is sensitive to these added expenses to the taxpayers and will attempt to limit the impact; however, as a State expense, the City will pass through the State downshifting to the taxpayers.

II. Capital Improvement Program

- A. The City of Keene shall prepare a capital improvement program (CIP) with a span of seven (7) years.
- B. The CIP shall be prepared biannually with a review each year during the operating budget cycle.
- C. All capital projects or equipment purchases that have an estimated cost of at least \$35,000 and an estimated useful life of at least five years will be included in the capital improvement program (CIP) planning process. These projects may include capital asset preservation projects (designed to preserve the functionality and condition of major infrastructure systems and City facilities) with an estimated cost of at least \$35,000 and which increases the useful life of the asset by at least five years.
- D. The CIP shall include all expenditure and funding activity anticipated from any capital reserve fund, including those activities less than \$35,000.
- E. The CIP shall contain revenue projections and rate impacts that support estimated operating costs as well as the proposed capital program. Expenditures included in each year of the CIP (operations, debt service and capital) will be equal to estimated revenue available to finance proposed activity in each year of the CIP. Cost and revenue estimates in projected years will be presented for planning purposes, and are based upon the then current best available information.
- F. City departments will prepare project funding-requests for capital projects as instructed by the City Manager.
- G. CIP Funding Methodology
 - 1) Whenever possible, CIP projects will be funded with available resources, examples of which are current revenues, grants, donations, and reserves, but not debt.
 - 2) Appropriate uses of debt include projects such as:
 - a) One-time nonrecurring investments (e.g. the construction of a new asset, or the expansion or adaptation of an existing asset) to provide added service delivery capacity or to meet changing community needs.

- b) Projects necessary due to regulatory requirements (e.g. water treatment plant expansion due to EPA permit changes) when resources other than debt are not available.
 - c) Projects necessary due to asset or system operational failure or obsolescence when resources other than debt are not available.
- H. The CIP shall be reviewed by the Finance, Organization and Personnel Committee and the Planning Board.
- I. The CIP will be the subject of a public hearing before adoption.
- J. The funding requests in the first year of the adopted CIP will be included in the next annual budget document. The City Manager after review will include the second year funding request in the subsequent budget document.
- K. Upon project completion, any residual funds shall be returned to the fund that provided the original appropriation unless otherwise directed by the City Council.
- L. Project transfer requests:
 - 1) Memorandums shall be presented to City Council for transfer request approval by majority vote for projects:
 - a) Within the same fund and
 - b) Not funded with bond proceeds/debt and/or
 - c) Have prior authorization to expend capital reserve funds and is within the purpose of the capital reserve.
 - 2) Resolutions shall be presented to City Council for transfer request adoption by 2/3 majority vote for projects:
 - a) Within the same fund and
 - b) Funded with bond/debt proceeds and/or
 - c) Funded with a new capital reserve appropriation.

PART 2 - Financial Policies

I. Fund Structure

- A. All funds are intended to be self-supporting, with no subsidies from one fund to another required for operations or capital outlay.
- B. The City will continue to conduct its financial activities through the use of the following funds:
 - 1) Governmental Funds.
 - a) General Fund – shall be used to account for those governmental activities that are not recorded in one of the other City Funds.
 - b) Special Revenue Funds.
 - i. Special Revenue Fund – shall be used for those activities that are funded in part or in whole by contributions from other entities.
 - ii. Parking Fund – shall be used to account for the operations, maintenance and capital outlay needs of the municipal parking areas.

- iii. Solid Waste Fund – shall be used to account for the activities of the transfer and recycling operations and for post-closure costs associated with the landfill.
 - c) Capital Projects Fund – shall be used to account for the capital projects funded by any of the governmental funds.
- 2) Proprietary Funds.
 - a) Enterprise Funds.
 - i. Sewer Fund – shall be used to account for the operations, maintenance, and capital outlay needs of the sewer collection and treatment systems.
 - ii. Water Fund – shall be used to account for the operations, maintenance, and capital outlay needs of the water treatment and distribution systems.
- 3) Internal Service Funds.
 - a) PC Replacement Fund – shall be used to account for the on-going replacement of PC's, peripherals, and related software utilized by all City departments.
 - b) Equipment Fund - shall be used to account for the operations, maintenance, and capital outlay needs of fleet services.

II. Revenues

- A. One-Time Revenues.

One-time revenues will only be applied toward one-time expenditures; they will not be used to finance on-going programs or services. On-going revenues should be equal to, or greater than, on-going expenditures.
- B. Diversity.

The City will diversify its revenues by maximizing the use of non- property tax revenues such as payments in lieu of taxes, and user fees and charges.
- C. Designation of Revenues.
 - 1) Each year, the City shall designate and set aside \$25,000 for conservation purposes, funded through the allocation of the Land Use Change Tax (LUCT). If the prior years' LUCT revenues are less than \$25,000, the General Fund will provide the difference from general revenues to ensure an annual contribution of \$25,000. Additionally, in the years when the LUCT revenues exceed \$25,000, fifty percent (50%) of the amount over \$25,000 will be designated for conservation purposes, with the total annual designation not to exceed \$100,000. Expenditure of funds to be made upon approval of the City Council. Balance of said sum not to exceed \$500,000.
 - 2) Direct reimbursements from other entities shall be used to offset the appropriate City expense.
 - 3) Except for the provisions stated above, or as provided otherwise by Federal, State law, or by local Code of Ordinances, no unanticipated revenues shall be designated for a specific purpose(s) unless directed by the City Council.

III. Fees and Charges

- A. Certain services provided by the City of Keene will be assigned a fee or charge for the users of the service, dependent upon how the community benefits from the provision of those services.
 - 1) In the case of general governmental services (such as fire protection, law enforcement, or general street maintenance) there will be no user fee or charge assessed.
 - 2) In the event that the service benefits a finite and definable sector of the community then that group will be assessed a fee or charge for provision of the service.
- B. Cost Recovery Standard for Fees and Charges.

Cost recovery should be based on the total cost of delivering the service, including direct costs, departmental administration costs, and when permitted organization-wide support costs (e.g. accounting, human resources, data processing, insurance, vehicle maintenance, and regulatory and enforcement costs).
- C. Exceptions to Cost Recovery Standard for Fees and Charges:
 - 1) Fees and Charges may be set at something less than full cost recovery when:
 - a) A high level of cost recovery will negatively impact the delivery of service to low-income groups.
 - b) Collecting the fees and charges is not cost effective.
 - c) There is no intended relationship between the amount paid and the benefit received (e.g. social service programs).
 - d) There is no intent to limit the use of the service (e.g. access to parks and playgrounds).
 - e) Collecting the fees would discourage compliance with regulatory requirements and adherence to said requirements is self-identified, and as such, failure to comply would not be readily detected by the City of Keene.
 - 2) Fees and Charges will be set at, or above, full cost recovery when:
 - a) The service is also provided, or could be provided, by the private sector.
 - b) The use of the service is discouraged (e.g. fire or police responses to false alarms).
 - c) The service is regulatory in nature and voluntary compliance is not expected (e.g. building permits, plans review, subdivisions).
 - d) When the fee or charge for the use of City property or resources is incurred by a commercial entity.
 - 3) Ambulance:
 - a) Service fees shall be set at two hundred fifty percent (250%) above the Medicare-determined usual and customary charge.
 - b) A fee will be implemented for those instances when responses that involve the use of drugs or specialized services are provided but there is no transport.

- c) There will be no charge for responses determined by the Fire Department to be “public assists.”
- D. The method of assessing and collecting fees should be made as simple as possible in order to reduce the administrative and support costs of collection.
- E. The City will periodically utilize the services of a collection agency when all other reasonable efforts to collect fees and fines have been exhausted; fees for such services to be paid from amounts collected.
- F. Rate structures should be sensitive to the market price for comparable services in the private sector or other public sector entities.
- G. Fees and charges shall be adopted by the City Council when required.
- H. Fees and charges shall be reviewed in accordance with a schedule developed by the City Manager that has each fee reviewed biannually. Recommended changes will be reviewed and approved by the City Council when required.

IV. Bonded Debt

- A. The City of Keene will periodically incur debt to finance capital projects. All issuances of debt are subject to State of New Hampshire Statutes, RSA 34 and 162-K.
- B. Debt may be issued to fund projects with a public purpose of a lasting nature or as otherwise allowed by State law.
- C. Debt will not be issued to provide for the payment of expenses for current maintenance and operation except as otherwise provided by law.
- D. The City of Keene shall not incur debt that exceeds any limits set by State law.
- E. All bonds shall be authorized by resolution of the City Council and require a two-thirds (2/3) vote.
- F. The City of Keene may use the services of bond counsel and a financial advisor, if required, to assist in preparing for and executing the sale of bonds.
- G. The City of Keene issues bonds including but not limited to:
 - 1) General Obligation Bonds – repayment is backed by the full taxing power of the City of Keene.
 - 2) Tax Increment Financing Bonds – repayment is first backed by the revenue stream generated by increased revenues created within an established Tax Increment Financing District. To the extent that the increased revenues created within the district are not adequate, the repayment of the bonds would then be backed by the full taxing power of the City of Keene.
 - 3) Refunding Bonds – these bonds are issued to refinance outstanding bonds before their term in order to either remove restrictions on the original bonds and/or to take advantage of lower interest rates. Repayment is backed by the full taxing power of the City of Keene.

- H. Competitive sale is the preferred method of sale; however, negotiated sales may occur for a current or advance refunding, or for other appropriate reasons.
 - I. Term.
 - 1) Debt will be incurred only for projects with a useful life of at least seven (7) years.
 - 2) The term of any debt incurred by the City shall be limited to no greater than the expected useful life of the improvement.
- V. Other Sources
- A. To the extent they are available, the City of Keene will consider on a case-by-case basis, the use of other financing mechanisms including but not limited to:
 - 1) Capital leases.
 - 2) State programs (e.g. State Revolving Fund Loan programs).
 - B. To the extent they are available, the City of Keene will actively pursue other funding sources including but not limited to:
 - 1) Grants that reduce the City's initial investment in project/improvement.
 - 2) Grants that contribute to the on-going debt service for city project(s).
 - 3) Other financing tools such as tax credits that leverage the City's initial investment in a project.
 - 4) Public-private partnerships.
 - 5) Unanticipated revenues. These sources will be evaluated for placement and designated as committed fund balance for advancing budgetary policies related to bonded debt, capital outlay or property taxes.
- VI. Asset-Management Programs
- A. The City may develop, implement, and refine asset management programs (defined as an integrated business approach involving planning, engineering, finance, facilities management, utilities, technology and operations to effectively manage existing and new facilities and infrastructure to maximize benefits, manage cost, reduce risk, and provide satisfactory levels of service to community users in a socially, environmentally, and economically sustainable manner). The asset management should contain at least the following elements:
 - 1) Periodic inventories and assessment of the physical condition of City capital assets and infrastructure.
 - 2) Establishment of condition and functional standards for various types of asset.
 - 3) Criteria to evaluate infrastructure and facility assets and set priorities.
 - 4) Financing policies to maintain a condition assessment system(s) and promote sufficient funding for capital asset preservation, repair, and maintenance.
 - 5) Monitoring and development of periodic plain language status reports on the various components of the City's capital assets and infrastructure.
- VII. Fund Balance Classification Policies and Procedures

A. Fund Balance.

Fund balance represents the difference between current assets and liabilities and shall be comprised of non-spendable, restricted, committed, assigned, and unassigned amounts defined as follows:

- 1) Non-spendable fund balance - includes amounts that are not in spendable form such as inventory or prepaid expenses or are required to be maintained intact such as perpetual care or the principal of an endowment fund.
- 2) Restricted fund balance - includes amounts that can only be spent for specific purposes stipulated by external resource providers such as grantors or, as in the case of special revenue funds, as established through enabling legislation.
- 3) Committed fund balance - includes amounts that can be reported and expended as a result of motions passed by the highest decision making authority - the City Council.
- 4) Assigned fund balance - includes amounts to be used for specific purposes including encumbrances and authorized carry forwards or fund balance to be used in the subsequent fiscal year.
- 5) Unassigned fund balance - includes amounts that are not obligated or specifically designated, and is available in future periods.

B. Spending Prioritization.

When an expenditure is incurred that would qualify for payment from multiple fund balance types, the City uses the following order to liquidate liabilities: restricted, committed, assigned, and unassigned.

C. Net Assets.

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations, or other governments. All other net assets are reported as unrestricted.

VIII. Stabilization Funds

A. Unassigned Fund Balance.

That portion of available funds within each fund that can be used to offset emergency expenditures, a downturn in collection of significant revenues, or other unforeseen events.

- 1) Unassigned fund balance for the General Fund will be maintained at an amount between seven percent (7%) and ten percent (10%) of the sum of the total of the General Fund annual operating budget and the property tax commitment for the school (both local and State) and the county.

- 2) Unrestricted fund balance, excluding capital reserves, for the enterprise funds should be maintained at an amount between the equivalent of 180 days to 365 days of the annual operating budget for that fund.
- 3) Unassigned/unrestricted fund balance for all remaining budgeted funds should be maintained at an amount between five percent (5%) and fifteen percent (15%) of the annual operating budget for that fund.

B. Self-Funded Health Insurance.

The City shall retain funds for its self-funded health insurance program. The intended purposes for these funds are to provide a measure to smooth rate fluctuations, to accommodate an unforeseen increase in claims, and to provide financial protection from run-out costs in the event the City moves toward a fully insured plan. The amount retained shall not exceed three (3) months of estimated claim costs.

C. Capital Reserves.

The City utilizes capital reserves, classified as committed funds, established under State of New Hampshire law, and invested by the Trustees of Trust Funds, for several purposes that include the construction, reconstruction, or acquisition of a specific capital improvement, or the acquisition of a specific item or of specific items of equipment, or other purposes identified in NH RSA 34, relating to Capital Reserve Funds for Cities.

D. Expendable Trust Funds.

The City Council may create and fund through annual operating budget appropriations, various expendable trust funds as it deems necessary for the maintenance and operation of the City; and any other public purpose that is not foreign to the City's institution or incompatible with the objects of its organization. The trust funds will be administered by the Trustees of the Trust Funds.

E. Revolving Funds.

The City Council may authorize the establishment and use of revolving funds as it deems necessary. The purpose of the funds and source of revenues will be determined at the time of creation. Monies in the revolving fund shall be allowed to accumulate from year to year, and shall not be considered a part of the City's general surplus.

IX. Deposits of Funds in Custody of City Treasurer

A. Objectives (in priority order):

- 1) Safety – the safety of principal is the foremost objective.
- 2) Liquidity – investments shall remain sufficiently liquid to meet the operational cash needs of the City of Keene.
- 3) Yield – taking into account the priority objectives of safety of principal and liquidity, a market rate of return.

- B. Authorized Investments:
- 1) US Treasury obligations.
 - 2) US government agency and instrumentality obligations.
 - 3) Repurchase agreements with New Hampshire Banks acting as principal or agent, collateralized by US Treasury/Agency obligations.
 - 4) Certificates of Deposits in New Hampshire Banks (collateralized).
 - 5) New Hampshire Public Deposit Investment Pool.
 - 6) Certificate of Deposit Account Registry Service (CDARS).

George S. Hansel, Mayor

Twenty-one

Relating to FISCAL POLICIES

WHEREAS: the National Advisory Council on State and Local Budgeting (NACSLB) has developed a comprehensive set of recommended practices on budgeting; and

WHEREAS: one key component of those recommended practices calls for the adoption of fiscal policies by the local legislative body to help frame resource allocation decisions; and

WHEREAS: the Government Finance Officers' Association (GFOA) has endorsed the recommended practice developed by the NACSLB; and

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- F. Any unexpended funds in a personnel line related to a vacancy cannot be expended without prior approval from the City Manager and the City Council unless funds are being expended to fill a vacancy, recruiting, or to employ temporary help including professional and contract services.
- G. A periodic budget status report for each fund will be provided to the City Council.
- H. The budget document shall provide multi-year projections of revenues and expenditures/expenses including property taxes and utility (water and sewer) rates.
- I. The budget will take into consideration the City's Policies on unassigned Fund Balance projected at the end of June.
- J. The City of Keene will contain its General Fund debt service, on a five (5) year average, at or less than twelve percent (12%) of the General Fund operating budget.
- K. Upon completion of any project, any residual funds shall be returned to the fund that provided the original appropriation.
- L. Property Taxes.
 - 1) The City shall limit its property tax revenue increases to a rolling three (3) year average of the Boston-Cambridge-Newton, (MA-NH) CPI net of expenditures required by law, and excluding debt service payments and capital leases. The City chooses to utilize the CPI, not because it reflects inflation in the City's costs, but because it reflects the overall inflation in what citizens purchase. This manages City spending such that increases in a citizen's tax bill are in line with increases in all of their other expenses. The goal is to have the cost of City services as a percentage of a taxpayer's total expenses remain constant.

- 2) Property Tax Credits and Exemptions.
All exemptions and credits will be reviewed with the City Council at least every five (5) years in conjunction with the City revaluation unless there are legislative changes that cause a review to occur on a more frequent basis.
- 3) The State has chosen to solve its revenue problem by downshifting expenses to the local communities and tapping into the broad based property tax at the local level. Downshifting is an effective strategy for the State; however, it is unsustainable at the local level and would quickly lead to a significant reduction in City services. The City is sensitive to these added expenses to the taxpayers and will attempt to limit the impact; however, as a State expense, the City will pass through the State downshifting to the taxpayers.

II. Capital Improvement Program

- A. The City of Keene shall prepare a capital improvement program (CIP) with a span of seven (7) years.
- B. The CIP shall be prepared biannually with a review each year during the operating budget cycle.
- C. All capital projects or equipment purchases that have an estimated cost of at least \$35,000 and an estimated useful life of at least five years will be included in the capital improvement program (CIP) planning process. These projects may include capital asset preservation projects (designed to preserve the functionality and condition of major infrastructure systems and City facilities) with an estimated cost of at least \$35,000 and which increases the useful life of the asset by at least five years.
- D. The CIP shall include all expenditure and funding activity anticipated from any capital reserve fund, including those activities less than \$35,000.
- E. The CIP shall contain revenue projections and rate impacts that support estimated operating costs as well as the proposed capital program. Expenditures included in each year of the CIP (operations, debt service and capital) will be equal to estimated revenue available to finance proposed activity in each year of the CIP. Cost and revenue estimates in projected years will be presented for planning purposes, and are based upon the then current best available information.
- F. City departments will prepare project funding-requests for capital projects as instructed by the City Manager.
- G. CIP Funding Methodology
 - 1) Whenever possible, CIP projects will be funded with available resources, examples of which are current revenues, grants, donations, and reserves, but not debt.

- 2) Appropriate uses of debt include projects such as:
 - a) One-time nonrecurring investments (e.g. the construction of a new asset, or the expansion or adaptation of an existing asset) to provide added service delivery capacity or to meet changing community needs.
 - b) Projects necessary due to regulatory requirements (e.g. water treatment plant expansion due to EPA permit changes) when resources other than debt are not available.
 - c) Projects necessary due to asset or system operational failure or obsolescence when resources other than debt are not available.
- H. The CIP shall be reviewed by the Finance, Organization and Personnel Committee and the Planning Board.
- I. The CIP will be the subject of a public hearing before adoption.
- J. The funding requests in the first year of the adopted CIP will be included in the next annual budget document. The City Manager after review will include the second year funding request in the subsequent budget document.
- K. Upon project completion, any residual funds shall be returned to the fund that provided the original appropriation unless otherwise directed by the City Council.
- L. **Project transfer requests:**
 - 1) Memorandums shall be presented to City Council for transfer request approval by majority vote for projects:
 - a) Within the same fund and
 - b) Not funded with bond proceeds/debt and/or
 - c) Have prior authorization to expend capital reserve funds and is within the purpose of the capital reserve.
 - 2) Resolutions shall be presented to City Council for transfer request adoption by 2/3 majority vote for projects:
 - a) Within the same fund and
 - b) Funded with bond/debt proceeds and/or
 - c) Funded with a new capital reserve appropriation

PART 2 - Financial Policies

- I. Fund Structure
 - A. All funds are intended to be self-supporting, with no subsidies from one fund to another required for operations or capital outlay.
 - B. The City will continue to conduct its financial activities through the use of the following funds:
 - 1) Governmental Funds.
 - a) General Fund – shall be used to account for those governmental activities that are not recorded in one of the other City Funds.
 - b) Special Revenue Funds.
 - i. Special Revenue Fund – shall be used for those activities that are funded in part or in whole by contributions from other entities.

- ii. Parking Fund – shall be used to account for the operations, maintenance and capital outlay needs of the municipal parking areas.
 - iii. Solid Waste Fund – shall be used to account for the activities of the transfer and recycling operations and for post-closure costs associated with the landfill.
 - c) Capital Projects Fund – shall be used to account for the capital projects funded by any of the governmental funds.
- 2) Proprietary Funds.
 - a) Enterprise Funds.
 - i. Sewer Fund – shall be used to account for the operations, maintenance, and capital outlay needs of the sewer collection and treatment systems.
 - ii. Water Fund – shall be used to account for the operations, maintenance, and capital outlay needs of the water treatment and distribution systems.
- 3) Internal Service Funds.
 - a) PC Replacement Fund – shall be used to account for the on-going replacement of PC's, peripherals, and related software utilized by all City departments.
 - b) Equipment Fund - shall be used to account for the operations, maintenance, and capital outlay needs of fleet services.

II. Revenues

A. One-Time Revenues.

One-time revenues will only be applied toward one-time expenditures; they will not be used to finance on-going programs or services. On-going revenues should be equal to, or greater than, on-going expenditures.

B. Diversity.

The City will diversify its revenues by maximizing the use of non- property tax revenues such as payments in lieu of taxes, and user fees and charges.

C. Designation of Revenues.

- 1) Each year, the City shall designate and set aside \$25,000 for conservation purposes, funded through the allocation of the Land Use Change Tax (LUCT). If the prior years' LUCT revenues are less than \$25,000, the General Fund will provide the difference from general revenues to ensure an annual contribution of \$25,000. Additionally, in the years when the LUCT revenues exceed \$25,000, fifty percent (50%) of the amount over \$25,000 will be designated for conservation purposes, with the total annual designation not to exceed \$100,000. Expenditure of funds to be made upon approval of the City Council. Balance of said sum not to exceed \$500,000.
- 2) Direct reimbursements from other entities shall be used to offset the appropriate City expense.

- 3) Except for the provisions stated above, or as provided otherwise by Federal, State law, or by local Code of Ordinances, no unanticipated revenues shall be designated for a specific purpose(s) unless directed by the City Council.

III. Fees and Charges

- A. Certain services provided by the City of Keene will be assigned a fee or charge for the users of the service, dependent upon how the community benefits from the provision of those services.
 - 1) In the case of general governmental services (such as fire protection, law enforcement, or general street maintenance) there will be no user fee or charge assessed.
 - 2) In the event that the service benefits a finite and definable sector of the community then that group will be assessed a fee or charge for provision of the service.
- B. Cost Recovery Standard for Fees and Charges.

Cost recovery should be based on the total cost of delivering the service, including direct costs, departmental administration costs, and when permitted organization-wide support costs (e.g. accounting, human resources, data processing, insurance, vehicle maintenance, and regulatory and enforcement costs).
- C. Exceptions to Cost Recovery Standard for Fees and Charges:
 - 1) Fees and Charges may be set at something less than full cost recovery when:
 - a) A high level of cost recovery will negatively impact the delivery of service to low-income groups.
 - b) Collecting the fees and charges is not cost effective.
 - c) There is no intended relationship between the amount paid and the benefit received (e.g. social service programs).
 - d) There is no intent to limit the use of the service (e.g. access to parks and playgrounds).
 - e) Collecting the fees would discourage compliance with regulatory requirements and adherence to said requirements is self-identified, and as such, failure to comply would not be readily detected by the City of Keene.
 - 2) Fees and Charges will be set at, or above, full cost recovery when:
 - a) The service is also provided, or could be provided, by the private sector.
 - b) The use of the service is discouraged (e.g. fire or police responses to false alarms).
 - c) The service is regulatory in nature and voluntary compliance is not expected (e.g. building permits, plans review, subdivisions).
 - d) When the fee or charge for the use of City property or resources is incurred by a commercial entity.
 - 3) Ambulance:
 - a) Service fees shall be set at two hundred fifty percent (250%) above the Medicare-determined usual and customary charge.

- b) A fee will be implemented for those instances when responses that involve the use of drugs or specialized services are provided but there is no transport.
 - c) There will be no charge for responses determined by the Fire Department to be “public assists.”
- D. The method of assessing and collecting fees should be made as simple as possible in order to reduce the administrative and support costs of collection.
- E. The City will periodically utilize the services of a collection agency when all other reasonable efforts to collect fees and fines have been exhausted; fees for such services to be paid from amounts collected.
- F. Rate structures should be sensitive to the market price for comparable services in the private sector or other public sector entities.
- G. Fees and charges shall be adopted by the City Council when required.
- H. Fees and charges shall be reviewed in accordance with a schedule developed by the City Manager that has each fee reviewed biannually. Recommended changes will be reviewed and approved by the City Council when required.

IV. Bonded Debt

- A. The City of Keene will periodically incur debt to finance capital projects. All issuances of debt are subject to State of New Hampshire Statutes, RSA 34 and 162-K.
- B. Debt may be issued to fund projects with a public purpose of a lasting nature or as otherwise allowed by State law.
- C. Debt will not be issued to provide for the payment of expenses for current maintenance and operation except as otherwise provided by law.
- D. The City of Keene shall not incur debt that exceeds any limits set by State law.
- E. All bonds shall be authorized by resolution of the City Council and require a two-thirds (2/3) vote.
- F. The City of Keene may use the services of bond counsel and a financial advisor, if required, to assist in preparing for and executing the sale of bonds.
- G. The City of Keene issues bonds including but not limited to:
 - 1) General Obligation Bonds – repayment is backed by the full taxing power of the City of Keene.
 - 2) Tax Increment Financing Bonds – repayment is first backed by the revenue stream generated by increased revenues created within an established Tax Increment Financing District. To the extent that the increased revenues created within the district are not adequate, the repayment of the bonds would then be backed by the full taxing power of the City of Keene.
 - 3) Refunding Bonds – these bonds are issued to refinance outstanding bonds before their term in order to either remove restrictions on the original bonds and/or to take advantage of lower interest rates. Repayment is backed by the full taxing power of the City of Keene.

- H. Competitive sale is the preferred method of sale; however, negotiated sales may occur for a current or advance refunding, or for other appropriate reasons.
 - I. Term.
 - 1) Debt will be incurred only for projects with a useful life of at least seven (7) years.
 - 2) The term of any debt incurred by the City shall be limited to no greater than the expected useful life of the improvement.
- V. Other Sources
- A. To the extent they are available, the City of Keene will consider on a case-by-case basis, the use of other financing mechanisms including but not limited to:
 - 1) Capital leases.
 - 2) State programs (e.g. State Revolving Fund Loan programs).
 - B. To the extent they are available, the City of Keene will actively pursue other funding sources including but not limited to:
 - 1) Grants that reduce the City's initial investment in project/improvement.
 - 2) Grants that contribute to the on-going debt service for city project(s).
 - 3) Other financing tools such as tax credits that leverage the City's initial investment in a project.
 - 4) Public-private partnerships.
 - 5) Unanticipated revenues. These sources will be evaluated for placement and designated as committed fund balance for advancing budgetary policies related to bonded debt, capital outlay or property taxes.
- VI. Asset-Management Programs
- A. The City may develop, implement, and refine asset management programs (defined as an integrated business approach involving planning, engineering, finance, facilities management, utilities, technology and operations to effectively manage existing and new facilities and infrastructure to maximize benefits, manage cost, reduce risk, and provide satisfactory levels of service to community users in a socially, environmentally, and economically sustainable manner). The asset management should contain at least the following elements:
 - 1) Periodic inventories and assessment of the physical condition of City capital assets and infrastructure.
 - 2) Establishment of condition and functional standards for various types of asset.
 - 3) Criteria to evaluate infrastructure and facility assets and set priorities.
 - 4) Financing policies to maintain a condition assessment system(s) and promote sufficient funding for capital asset preservation, repair, and maintenance.
 - 5) Monitoring and development of periodic plain language status reports on the various components of the City's capital assets and infrastructure.

VII. Fund Balance Classification Policies and Procedures

A. Fund Balance.

Fund balance represents the difference between current assets and liabilities and shall be comprised of non-spendable, restricted, committed, assigned, and unassigned amounts defined as follows:

- 1) Non-spendable fund balance - includes amounts that are not in spendable form such as inventory or prepaid expenses or are required to be maintained intact such as perpetual care or the principal of an endowment fund.
- 2) Restricted fund balance - includes amounts that can only be spent for specific purposes stipulated by external resource providers such as grantors or, as in the case of special revenue funds, as established through enabling legislation.
- 3) Committed fund balance - includes amounts that can be reported and expended as a result of motions passed by the highest decision making authority - the City Council.
- 4) Assigned fund balance - includes amounts to be used for specific purposes including encumbrances and authorized carry forwards or fund balance to be used in the subsequent fiscal year.
- 5) Unassigned fund balance - includes amounts that are not obligated or specifically designated, and is available in future periods.

B. Spending Prioritization.

When an expenditure is incurred that would qualify for payment from multiple fund balance types, the City uses the following order to liquidate liabilities: restricted, committed, assigned, and unassigned.

C. Net Assets.

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations, or other governments. All other net assets are reported as unrestricted.

VIII. Stabilization Funds

A. Unassigned Fund Balance.

That portion of available funds within each fund that can be used to offset emergency expenditures, a downturn in collection of significant revenues, or other unforeseen events.

- 1) Unassigned fund balance for the General Fund will be maintained at an amount between seven percent (7%) and ten percent (10%) of the sum of the total of the General Fund annual operating budget and the property tax commitment for the school (both local and State) and the county.

- 2) Unrestricted fund balance, excluding capital reserves, for the enterprise funds should be maintained at an amount between the equivalent of 180 days to 365 days of the annual operating budget for that fund.
 - 3) Unassigned/unrestricted fund balance for all remaining budgeted funds should be maintained at an amount between five percent (5%) and fifteen percent (15%) of the annual operating budget for that fund.
- B. Self-Funded Health Insurance.
- The City shall retain funds for its self-funded health insurance program. The intended purposes for these funds are to provide a measure to smooth rate fluctuations, to accommodate an unforeseen increase in claims, and to provide financial protection from run-out costs in the event the City moves toward a fully insured plan. The amount retained shall not exceed three (3) months of estimated claim costs.
- C. Capital Reserves.
- The City utilizes capital reserves, classified as committed funds, established under State of New Hampshire law, and invested by the Trustees of Trust Funds, for several purposes that include the construction, reconstruction, or acquisition of a specific capital improvement, or the acquisition of a specific item or of specific items of equipment, or other purposes identified in NH RSA 34, relating to Capital Reserve Funds for Cities.
- D. Expendable Trust Funds.
- The City Council may create and fund through annual operating budget appropriations, various expendable trust funds as it deems necessary for the maintenance and operation of the City; and any other public purpose that is not foreign to the City's institution or incompatible with the objects of its organization. The trust funds will be administered by the Trustees of the Trust Funds.
- E. Revolving Funds.
- The City Council may authorize the establishment and use of revolving funds as it deems necessary. The purpose of the funds and source of revenues will be determined at the time of creation. Monies in the revolving fund shall be allowed to accumulate from year to year, and shall not be considered a part of the City's general surplus.
- IX. Deposits of Funds in Custody of City Treasurer
- A. Objectives (in priority order):
 - 1) Safety – the safety of principal is the foremost objective.
 - 2) Liquidity – investments shall remain sufficiently liquid to meet the operational cash needs of the City of Keene.
 - 3) Yield – taking into account the priority objectives of safety of principal and liquidity, a market rate of return.
 - B. Authorized Investments:
 - 1) US Treasury obligations.
 - 2) US government agency and instrumentality obligations.
 - 3) Repurchase agreements with New Hampshire Banks acting as principal or agent, collateralized by US Treasury/Agency obligations.
 - 4) Certificates of Deposits in New Hampshire Banks (collateralized).

- 5) New Hampshire Public Deposit Investment Pool.
- 6) Certificate of Deposit Account Registry Service (CDARS).

George S. Hansel, Mayor



CITY OF KEENE NEW HAMPSHIRE

Meeting Date: September 2, 2021

To: Mayor and Keene City Council

From: Finance, Organization and Personnel Committee

Through:

Subject: **Relating to the Appropriation of funds from the Sewer Fund Unassigned Fund Balance for the Wastewater Treatment Plant Solar Project Resolution R-2021-38**

Recommendation:

On 4-0 vote, the Finance, Organization and Personnel Committee recommends adoption of Resolution R-2021-38.

Attachments:

1. Resolution R-2021-38_referral

Background:

The Manager stated that the solar project for the wastewater treatment plant is coming to the last stage and tonight is the last approval that staff needs from the Council.

The Manager continued that in 2019 the City issued a request for proposals for a clean renewable energy system to provide power for the wastewater treatment plant. Staff drafted that RFP in a way to encourage proposals for any type of clean renewable system. It was not aimed exclusively at solar projects. However, the solar proposal from Revision did prove to be the most attractive option.

In June of 2020, the Council authorized staff to move forward and negotiate a letter of intent with Revision Energy. The Manager noted there has also been legislation put forward many times to increase the net metering cap in New Hampshire. This year legislation did increase the cap but this project is in Swanzey and the cap is only for projects that are generated in your own community; the wastewater treatment plant is in Swanzey and hence would not have qualified for net metering.

Staff has been working with Revision Energy on this item and the savings that is going to be yielded would be a modest cost savings for the wastewater treatment plant and will offset the facilities carbon footprint. The team included Public Works Director Kurt Blomquist, Assistant Public Works Director/Utilities Manager (now retired) Tom Moran, Assistant Public Works Director Duncan Watson, Community Development Director Rhett Lamb and City Attorney Tom Mullins.

The Manager went on to explain the array is being built on airport land and the airport is a separate

fund. There is an approximate lease payment of \$12,500 from the wastewater treatment plant which will be passed through to the airport each year. In addition, due to some flooding and other issues in this area, there was an increased cost of installation necessary to build the project in the amount of \$83,698. The Manager noted this is what the committee is discussing tonight in its Resolution. Staff is asking to take that \$83,698 from the sewer fund unassigned fund balance and move it over to this project – this will be for the preparation and installation of the solar.

In the analysis completed, staff compared the known cost for electricity against the power purchase rate plus the cost of electricity which would still need to be purchased because the wastewater treatment plant runs 24 hours, seven days a week and the sun is not up all of that time so there will be times of the day the city will be purchasing off the grid and times it will come from the power purchase agreement.

Starting in year six the city has the ability to purchase the array. At that time the city will need to evaluate bonding rates and current electric usage to do an analysis of purchase versus continued operation, under the power purchase agreement. The Manager stated she however, anticipates greater savings in year six. The Manager reminded the committee that they are also discussing a sludge dryer at the wastewater treatment plant and if that project were to move forward it would be quite an additional burden on the electrical expense and so the city could potentially achieve some greater savings with that piece of equipment as well.

With that the Manager turned the presentation over to Dan Weeks from Revision Energy. The Manager commended Revision Energy for working hard to get the City a good rate. The Manager stated the reason she is not asking for any other motion tonight is because the Council has already granted her the authority to negotiate and execute the Agreement which also includes the Interconnection Agreement with Eversource.

Mr. Weeks thanked the city for this opportunity Revision Energy is a 300 person, locally owned company. He acknowledged the council back in January 2018 for adopting as one of the first communities in New Hampshire the 100% Clean Energy Initiative, with the specific goal of 100% clean electricity by 2030, and then clean energy across all energy uses including thermal and transportation by 2050.

Mr. Weeks stated this project would offset on an annual basis 100% of the electricity usage at the city's largest load center, namely the wastewater treatment plant. Mr. Weeks made note of a few other solar projects in Keene; 350 Marlboro Street, Keene Housing which has so far installed solar on more than 50 of their rooftops, as well as a few other local businesses and nonprofits around the community, and the system on Public Works – which was installed at end of 2018. So far generation of lifetime energy is 1.7 gigawatt hours which is equal to 1.7 million kilowatt hours. Today's production was just under 3 megawatt hours or 3000 kilowatt hours. 2.6 million pounds of carbon dioxide emissions offset and equivalent to almost 20,000 trees planet.

With reference to the project before the committee, Mr. Weeks stated they have undertaken quite a bit of the scope of work in order to be ready to begin driving piles into the ground before the ground freezes, thereby being able to continue the installation through the winter.

The installation on the wastewater treatment plant will be a 1.36 megawatt array. Under HB 315 there is a 5 megawatt cap. He added they believe in the future the possibility exists for the city to install a much larger array on the several hundred acres the city owns around the airport.

Mr. Weeks noted to where this array is going to be located and added it had to be moved based on runway setbacks, wetlands and other concerns which is the reason for the \$83,000 cost increase.

Another complexity is that this site is located in the 100-year flood zone and this site has experienced some flooding which required some creative redesign in terms of the array height; the western section will be raised about three feet higher than ground mount which is usually 36 inches at the drip edge and 11.5 feet at the peak. Sections of the array will be 3 feet higher other sections will be stepping down by 6 inches in order. This is to ensure in the worst case scenario of the 100 to 500 year flood, that none of the electrical components will be underwater.

Mr. Weeks spoke to what the City Manager mentioned, which is that the addition of a sludge dryer would increase the load which would improve the financials of the solar. He added the challenge with New Hampshire, when you install an array size to offset 100% of power demand on an annual basis it means the array is over producing when the sun is shining. Overproduction will occur throughout much of the summer as well as some of the colder season The city would need to sell that excess generation back at a reduced net metering rate. He referred to a rendering to explain this scenario.

Mr. Weeks provided a quick summary of the progress – this is an active airport, hence FAA land use approval was required. Because this was already contemplated in the 2017 airport master plan, an FAA analysis was completed with the airport consultant McFarland Johnson, determining there is no impact from a glare standpoint on landing aircraft.

The Eversource impact system study has been a challenge to complete. The initial estimates from the utility were quite a bit less than what they came back with, but he noted they feel very fortunate because a project of this scale would typically be financed by a professional or commercial investor looking for market rate returns. Because of the commitment the City has and the amount of community engagement, they were able to bring on board a local investor who's willing to make a very low rate of return because they see this as part of their mission. Hence, we have been able to absorb that significant increase in the Eversource interconnection costs with the help of the local investor. Two weeks ago the Swanzey Planning Board also granted its approval. The last required permit is from the New Hampshire DES which is the Alteration of Terrain Permit, which is standard for any installation over 100,000 square feet. They expect to have this permit in the next few weeks.

Mr. Weeks then addressed the Finances: this will be a Power Purchase Agreement (PPA). This is the financial mechanism most New Hampshire municipalities and nonprofits use. This is because as a tax exempt entity the City cannot directly access the tax incentives that exists federally through the tax code for solar. However, a local investor is able to do so; they are able to reduce the cost and deliver a PPA at less than the current cost of electricity. The City is leasing the use of the land for solar purchasing for the power that is generated and may do so for a full PPA term of 25 years and can extend that term for another 5 or 10 years. If the city is in a position to plan ahead and actually purchase the array through a direct purchase or a bond; by owning the power the savings would go up significantly.

As the on-site user the city will purchase all the kilowatt hours generated, use what is required behind the meter, sell what is not through net metering and the savings - the excess generation when the plant is operating but not using all the power generated, will be sold back to the utility at the current rate. This also provides a couple of different grid services, the one that can be directly monetized, in this case is the cap reduction, the city has worked with C-Power which is an additional approximately \$4,000 in revenue.

Mr. Weeks noted by taking advantage of future policy and regulatory changes - there are a number of proposals underway in Concord which would increase the value of solar in New Hampshire, as well as a proposed federal clean energy standard, watching the policy movement (which is his job to do) will result in additional revenue in the future.

Mr. Weeks summarized, looking at the short term, there are modest initial savings due to the upfront cost associated with the change in site, the preparation for the new site, and projected land lease. He continued the initial savings would be approximately \$5,245, with 3 million in savings over a 25 year period and just over 8 million over the lifespan.

The average cost without solar would be 14.7 cents a kilowatt hour over the next 40 years. The solar scenarios with a modest initial savings, being able to own your own power over the long term, over the lifetime would be approximately .04 cents a kilowatt hour.

Mr. Weeks noted one statistic that sticks out to him is from the EPA “although we are having to clear trees on approximately one acre. Most of the site has already cleared, there will be a little bit of tree clearing and the carbon offset is equivalent to sequestration by 804 acres of forest”. He felt this was a very significant contribution to the climate challenge. This concluded Mr. Weeks’ presentation.

Councilor Hooper asked who would be responsible for the day to day maintenance of this site. Mr. Weeks stated this would be shared between Revision Energy and the City. All electrical maintenance would be the responsibility of Revision Energy. The investor partner will contract with Revision Energy to provide the standard operations and maintenance. This includes remote monitoring of performance, being able to identify if there is any production issues, and an annual electrical inspection. Revision will be responsible for the site preparation - tree clearing, reseeding etc. However, the vegetation management itself will be the responsibility of the wastewater treatment plant.

Councilor Chadbourne asked if this presentation was available online. Mr. Weeks stated he will be happy to send it to the Councilor. The Councilor asked during the 40 year lifespan if there are potential repairs, who would bear that burden if the city is not the owner and asked what type of repairs could be anticipated. Mr. Weeks stated the panels come with a 25 year warranty, the inverters with a 10 year warranty, the inverters will need to be replaced about midway through system’s life. He noted the 8.1 million long term savings includes a full operations and maintenance service agreement. Revision Energy based these long term analyses not just on the manufacturer’s warranty in terms of panel output, but also from National Renewable Energy Labs which has done extensive study of earlier generations of solar that have been installed in this country which go back almost 50 years. He felt the city can consider this a bankable asset but it will probably make sense to have some ongoing operations and maintenance which Revision Energy can provide.

Councilor Chadbourne stated she envisions acts of God, such as a tree falling on the array or an airplane crashing into it. Mr. Weeks stated they have full insurance coverages; the investor, Revision Energy and the City. The closest trees has about 100 feet of clearance. He added the largest investor in solar today is Wall Street and major banks and they do consider this a highly bankable asset even with extreme weather and hence with standard insurance they feel very confident about it remaining online and producing.

Councilor Remy asked what the bond rates are right now. The Manager stated this is something that would need to be evaluated in year six because a lot could change between now and then regarding rates and electrical rates. Councilor Remy stated he was wondering about the City paying it up front and getting the full benefit versus having an investor.

Mr. Weeks stated the investor can access tax incentives the city can’t, and they do look for a modest single digit IRR rate of return. Because they are able to pass on a portion of the tax benefits, the city does better financially even when it did not own the system outright without any cost of capital. If a 2% or 3% rate was to be added to this, it would simply spread that out a little bit further.

Chair Powers clarified if this item was to be approved tonight the committee will move money from the undesignated fund balance to pay for the additional costs of the site work because the site is in a floodplain. The Public Works Director agreed and added staff is comfortable with this amount coming out of the undesignated fund balance.

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

On 4-0 vote, the Finance, Organization and Personnel Committee recommends adoption of Resolution R-2021-38.



CITY OF KEENE

R-2021-38

Twenty-one

In the Year of Our Lord Two Thousand and

Relating to the Appropriation of funds from the Sewer Fund Unassigned Fund Balance
A RESOLUTIONfor the ~~Wastewater Treatment Plant Solar Project~~.....

Resolved by the City Council of the City of Keene, as follows:

That up to the sum of eighty three thousand, six hundred and ninety eight dollars (\$83,698) be appropriated from the Sewer Fund Unassigned Fund Balance to Wastewater Treatment Plant Solar Project for site preparation.

George S. Hansel, Mayor

In City Council August 19, 2021.
Referred to the Finance, Organization
and Personnel Committee.

Deputy City Clerk

PASSED



CITY OF KEENE NEW HAMPSHIRE

Meeting Date: September 2, 2021

To: Mayor and Keene City Council

From: Duncan Watson, Assistant Public Works Director

Through: Elizabeth Dragon, City Manager
Merri Howe, Finance Director/Treasurer

Subject: **Relating to the Appropriation of funds from the Solid Waste Fund Unassigned Fund Balance for the Repair of the Transfer Station from Fire Damage and Upgraded Fire Protection**
Resolution R-2021-39

Recommendation:

First reading of Resolution R-2021-39 Relating to the Appropriation of funds from the Solid Waste Fund Unassigned Fund Balance for the Repair of the Transfer Station from Fire Damage and Upgraded Fire Protection and referring to the Finance, Organization and Personnel Committee.

Attachments:

1. Resolution R-2021-39

Background:

In April 2020 the Transfer Station had its third major fire, damaging the building and disrupting operations. The cause of the fire, while not specifically determined, is likely to have been caused by disposal of incompatible waste that resulted in spontaneous combustion. The fire alarm system functioned properly, and the 30,000 gallon fire cistern was used to extinguish the fire. In consultation with the City's insurance company, Primex, and the Keene Fire Department, it is recommended that the Solid Waste Division install a dry pipe system to enable a pump truck to connect to the system to provide a deluge of water in the event of a fire to help extinguish a fire promptly. A deluge system is the best and most cost effective retrofit option to minimize damage to the Transfer Station and surrounding operations, and reduce the risk to firefighters and other personnel responding to a fire.

A portion of the repair of the Transfer Station is being handled through the City's insurance company, Primex, and will address those issues directly related to the fire which include the building siding, roof insulation, fire alarm system and lighting. This recommendation also covers two primary objectives- 1. Install a dry pipe system to assist the Keene Fire Department in extinguishing future fires as quickly as possible and, 2. Provide additional structural support to the roof system to account for heavy snow load. In October 2020, the City Council authorized the City Manager to execute a change order with CMA Engineers to include the necessary engineering work to incorporate the

design changes to the Transfer Station for a fire suppression system and additional structural support for snow loading. Bids were issued in June,2021, and the Solid Waste Division is recommending Project Resource Group, LLC as the low responsive bidder for a repair price of \$370,183, which includes a 10% contingency in the event that something unforeseen during repairs necessitates a change order. The portion of the building repairs covered by insurance proceeds, once received, will go back into the Solid Waste Fund unassigned fund balance.

In addition, a professional services contract will be developed with an engineering firm to provide periodic construction inspection services to ensure the contractor is complying with project design and specifications. The estimated periodic construction inspection services is \$25,000.

It should be noted, that the Solid Waste Fund is completely separate from the General Fund in that no tax dollars support the Solid Waste Fund. Revenues are primarily derived from the tipping fees from disposal of solid waste and the revenue received from the sale of recyclable commodities. The Solid Waste Fund Balance has sufficient balance to transfer the amount needed to transfer funds to the 2021/2022 operating budget to fund the repair of the fire damage (reimbursed by insurance proceeds), installation of a fire suppression system and increased structural support for snow loads.

FY 21/22 Solid Waste Expenditure Adjustment

<u>Account #</u>	<u>Description</u>	<u>FY 21/22 Budget</u>	<u>Fund Transfer Request</u>	<u>Revised Budget</u>
10001-62350	Building Maintenance	\$ 25,000	\$395,183	\$420,183



CITY OF KEENE

R-2021-39

Twenty-one

In the Year of Our Lord Two Thousand and

Relating to the Appropriation of funds from the Solid Waste Fund Unassigned

A RESOLUTION Fund Balance for the Repair of the Fire Damaged Transfer Station and Upgraded

Fire Protection.....

Resolved by the City Council of the City of Keene, as follows:

That up to the sum of three hundred thousand, one hundred and eighty three dollars (\$395,183) be appropriated from the Solid Waste Fund Unassigned Fund Balance to repair the fire damaged transfer station and upgrade fire protection.

George S. Hansel, Mayor

PASSED