City of Keene
New Hampshire

KEENE CITY COUNCIL
Council Chambers, Keene City Hall
March 17, 2016
7:00 PM

Roll Call
Pledge of Allegiance
Minutes of Preceding Meeting

HEARINGS/PRESENTATIONS/PROCLAMATIONS
- Public Hearing – TIF District – Library Project
- Presentation – Green Initiatives - Keene ICE
- Presentation – Broadband

1. ELECTIONS/NOMINATIONS/APPOINTMENTS/CONFIRMATIONS
A. Confirmations – Cities for Climate Protection Committee; Planning Board

2. COMMUNICATIONS
A. Sarah Wilton, Skye Stephenson and Councilor Clark – Requesting that the City Council take a Position on the Kinder Morgan's Pipeline
B. Weston Liu/New England Aerobatic Club – Request to Use City Property – Dillant-Hopkins Airport
C. Virginia Carter/Walpole Mountain View Winery – Request to Sell Wine at Farmer's Market
D. Councilor Kahn – FY 17 Capital Improvements Program
E. Councilor Kahn – FY 17 Capital Improvement Program

3. REPORTS
A. COUNCIL COMMITTEES
1. Significant Items of Legislation – MSFI COM
2. Suggested Ban on Single Use Plastic Bags – PLD COM
3. Request to Use City Property – Spring Street – PLD COM
4. Request to Use City Property – Farmer's Market – PLD COM
5. Disruptive Behavior of Large Gatherings of Students – PLD COM
6. Marlboro Street Rezoning and Eastside Revitalization – PLD COM
7. Significant Items of Legislation – PLD COM
8. Acceptance of Donation – Crossing Guard – FOP COM
9. Acceptance of NH Highway Safety Agency S.T.E.P. Grant – FOP COM
10. Acceptance of Monetary Donation – Police Fund – FOP COM
11. Acceptance of Donation – MLK/JD Annual Programming – FOP COM
12. Acceptance of Donation – Keene Recreation Center – FOP COM
13. Acceptance of Donation – Library Internship – FOP COM
14. Safe Routes to School – Travel Grant – FOP COM
15. Tax Deeds for Unpaid 2012 Property Taxes – FOP COM
16. 4th Grade Water Science Fairs – Solicit Donations – FOP COM
17. Phase 2 – Inflow and Infiltration Evaluation – Wastewater Collection System – FOP COM
18. Significant Items of Legislation – FOP COM
19. FY 17 - Capital Improvement Program – FOP COM

B. CITY OFFICERS AND DEPARTMENTS
1. General Comments –City Manager

C. BOARDS AND COMMISSIONS
1. Ordinance O-2016-03-A: Zone Change - Library Property Rezoning – Joint PB/PLD

3. REPORTS

D. MORE TIME
1. Removal of Granite Curbing – West Side of Central Square – Sidewalk Café – MSFI

4. ORDINANCES FOR FIRST READING

A. Relating to Charter Employees Evaluations
1. Memorandum – Finance, Organization and Personnel Committee Chair
2. Ordinance O-2016-06

5. ORDINANCES FOR SECOND READING

6. RESOLUTIONS

A. Relating to Fiscal Policies
1. Report – FOP COM
2. Report – FOP COM
3. Report – FOP COM
4. Resolution R-2016-02-A

Non Public Session
Adjournment

A regular meeting of the Keene City Council was held Thursday, March 3, 2016. The Honorable Mayor Kendall W. Lane called the meeting to order at 6:30 PM. Roll called: Carl B. Jacobs, Janis O. Manwaring, Robert J. O'Connor, Terry M. Clark, Jay V. Kahn, Randy L. Filiault, Thomas F. Powers, Robert B. Sutherland, George S. Hansel, Gary P. Lamoureux, Stephen L. Hooper, Bettina A. Chadbourne, Philip M. Jones, David C. Richards and Mitchell H. Greenwald were present. The Mayor took a moment to recognize Councilor Chadbourne's service on the City Council, noting that she has been on the Council since 2012 serving as a Ward two Councilor. In January of 2016, she was re-elected and is now serving as a Councilor At-Large. Since she has been on the Council she has been a member of the Planning, Licenses and Development Committee. Councilor Chadbourne led the Pledge of Allegiance. A motion by Councilor Greenwald to accept the minutes from the February 18, 2016 meeting was duly seconded. The motion passed with a unanimous vote in favor.

PRESENTATION – RETIREMENT RESOLUTION – TOM HASTINGS

The Mayor invited Tom Hastings from the Department of Public Works forward to present him with a retirement proclamation. The Mayor went on to express the City's gratitude to Mr. Hastings for his dedication, and went on to detail his history of employment with the City of Keene. Mr. Hastings thanked the Mayor for the acknowledgement of his years of service.

PRESENTATION – RETIREMENT RESOLUTION – ANMARIE WILSON

The Mayor invited Anmarie Wilson from the Police Department forward to present her with a retirement proclamation. The Mayor went on to express the City's gratitude to Ms. Wilson for her dedication, and went on to detail her history of employment with the City of Keene. Ms. Wilson thanked the Mayor for the acknowledgement of her years of service.

PRESENTATION – RETIREMENT RESOLUTION – MICHAEL BAILEY

The Mayor invited Michael Bailey from the Fire Department forward to present him with a retirement proclamation. The Mayor went on to express the City's gratitude to Mr. Bailey for his dedication, and went on to detail his history of employment with the City of Keene. Mr. Bailey thanked the Mayor for the acknowledgement of his years of service.

PRESENTATION – PFM MANAGEMENT GROUP – REVIEW OF CITY'S STANDARD & POOR'S RATINGS

The Mayor invited Finance Director Steve Thornton and William Fazioli of PFM Management Group forward to make a presentation relative to the City's current Standard & Poor's credit rating. Mr. Thornton explained that Mr. Fazioli is the City's Financial Advisor and he will be explaining the Standard and Poor's rating methodology this evening along with providing an overview of the City of Keene rating.

Mr. Fazioli stated that he has been a financial advisor to various municipalities in New England for the last 25 years in addition to serving as a finance director and town treasurer in Rhode Island. He continued this evening he would go over the City's debt and S&P bond rating.

Mr. Fazioli explained that for municipalities there are a wide variety of variables used to measure credit rating. In essence it is the measurement of an entity's ability and willingness to manage its resources in order to meet its obligations, and it is not just about making bond payments on time. The credit rating for a municipality rates how the community manages its assets on an annual basis to satisfy short and long term obligations. Mr. Fazioli went on to explain the Standard and Poor's rating scale as well as that of the two other major firms that provide such ratings: Moody's and Fitch.

He noted the City currently has a rating with both Moody's and Standard & Poor's. Mr. Fazioli stated there are very few AAA rated municipalities. Keene's rating with S&P is currently AA. He explained the higher the rating the lower the cost of borrowing. Entities that fall below the B rating level fall into a default or junk bond status, which is a position a municipality doesn't want to be in because it is difficult to borrow money in the public market at that point. Mr. Fazioli demonstrated with a line graph the impact on borrowing costs for a AA rated entity such as the City of Keene versus a AAA rated entity noting there is very little difference in the current market with interest rates being so low.

Mr. Fazioli went on to discuss the S&P scorecard methodology. The new approach scores seven different areas on a scale of one to five with one being the strongest and five the weakest. He went on to provide a weighting scale within the metrics that S&P uses. He then explained the City of Keene's analysis using this scale.

He noted Keene's overall rating is very favorable. He stated his firm has calculated the City at AA and he is confident that this rating is in line with what S&P would indicate. He spoke briefly about the City's score in the Debt and Contingent Liability, which was a bit low at a rating of four. He stated the City is very close to being at a two to three level, but unfortunately because the City pays their debts off quickly, its carrying costs are higher and this presents as a higher percentage of the budget. As the City retires debt in the next few years, Keene will move up on the rating scale in this area and have increased budget flexibility. He suggested that as this occurs the City may want to capitalize on this with "pay-as-you-go" funding of capital projects. Mr. Fazioli stated there are economic factors that the City has little control over which have a large impact on the rating as well. He stated this is an area that PFM suggests to municipalities which want to increase their score work to increase their tax base and grow their local economy to raise the buying income and land values of the community.

Mayor Lane asked for some explanation about the budgetary performance score which was a three and asked how much flexibility there is to improve it. Mr. Fazioli stated this looks at all governmental funds, including enterprise funds. They take the annual result of those funds and divide it by the governmental expenditures. It includes capital projects funds, and those funds tend to run a deficit because of the timing of when bonds are issued which does impact the score. In this case Keene is in line with other municipalities. It also looks at the general fund net result focusing on the general fund operating balance divided by general fund expenditures. They are essentially taking your total governmental operations and a snap shot look at a community's annual operating result.

Councilor Hansel asked Mr. Fazioli if had any idea in either the debt and contingent liability section or the budgetary performance section, whether if one of those were to go down one point, would that raise Keene's overall rating to AAA. He asked how close the city is to that AAA rating. Mr. Fazioli explained that Keene is pretty solidly in the AA level, and could potentially get to a AA+ rating in the future. He noted that overall wealth levels impact the rating, and this is the main characteristic of AAA credit scores. This is likely out of Keene's reach and Keene is likely capped at AA+. Mr. Thornton added that the City of Keene is different than a place like Bedford which is AAA rated in that they are seated in a larger metropolitan area in addition to their higher levels of wealth. As Keene's debt gets retired over the next few years the AA+ rating is likely attainable, if all other scores remain constant.

Councilor Clark asked if what the City is seeing here is based only on today's debt and asked how future debt will impact the City's score. Mr. Fazioli agreed it is based on current debt and stated this is an area his firm can assist the City with in terms of planning for future debt. He continued that they are suggesting the City look at relying less on debt moving forward and adopting a "pay-as-you-go" funding for certain projects like road improvements or paving, technology equipment, etc.; things that have a useful life of less than 10 years. There is also potential for lease financing or other forms of financing besides bonded debt. He added that because the rates are so low, Keene chose an opportune time to utilize bonded debt. Mr. Thornton agreed stating the City's current true interest costs are 2.17 percent for a 20 year debt.

Councilor Kahn asked about changes in governmental accounting standards, specifically the impact of retirement payment obligations. Does the rating weigh this factor or not. Mr. Fazioli stated that Moody's does look at pension liability and has factored it into their rating several years ago. S&P will be following suit. Recognizing the liability of the State-wide plan has had a short term impact, it has not spilled over into the credit rating process because investors are still absorbing that information to see what the long term impact will be. In many ways it is a liability, but it is a long term liability. What will be looked at is if a community is making its retirement payments on time and controlling things that limit future increases. He ended that by June of 2016 this will be incorporated into S&P's rating methodology.

Councilor Jacobs referenced declining debt service and asked if the proposed CIP is considered in the current S&P rating. Mr. Fazioli stated the rating does not consider future debt, noting that his firm can assist with modeling the impacts of the proposed CIP on the City's rating. Mr. Thornton noted that when the City went to market last year, the projected debt in the 2016-2021 CIP was provided to Standard & Poor's. He noted the proposed CIP does reduce outstanding debt by 12 or 13% over the 6 years of the CIP.

As there were no further questions, the Mayor thanked Mr. Fazioli and Mr. Thornton for their presentation.

PROCLAMATION – ELECTION VOLUNTEERS – SPIRIT OF PLACE

The Mayor invited Terri Hood from the City Clerk's Office forward to present her with a ***Building a Spirit of Place*** Proclamation honoring those that volunteered at the 2016 Presidential Primary Election. The Mayor noted each volunteer and donating business would receive a signed copy of the proclamation.. Ms. Hood went on to express the City's gratitude to all of the election volunteers as well as for the food donations from local restaurants. .

PUBLIC HEARING – CAPITAL IMPROVEMENT PROGRAM 2016-2022

The Mayor opened the public hearing at 7:27 PM. The Notice of Hearing and Certificate of Publication were read. The Mayor asked the City Manager if he had any opening comments to start the process. City Manager Medard Kopczynski noted that the CIP presentations this year were very well done and there were a lot of good questions from the Councilors. Mayor Lane went on to explain that this is the opportunity for members of the public to state their views on any item included in the Capital Improvement Program, and Councilors will have an opportunity to comment at a later time in the process. He continued he will primarily review the projects slated for inclusion in next year's operating budget. He further explained that this is a six-year planning document, and the first year of the CIP is rolled into the operating budget for the coming year. Years two through six are primarily planning and preparation for the future. He also said that the CIP tries to reflect the goals set by the City through the City's Comprehensive Master Plan, as well as public comments received. Hence the reason public comments at this hearing are so valuable. This will go to the Finance, Organization and Personnel Committee for discussion and a recommendation back to the full Council, and the full City Council will be acting on the CIP at the next Council meeting. The Mayor stated that at this time he would highlight the various projects listed under each department or division and then ask for comments from the public.

Airport – The Mayor stated there is one project included in this section scheduled for initial funding in the coming fiscal year. That would be the planning for the reconstruction of the crosswinds runway. He noted that 95% of the cost of this project will be funded by an FAA grant, and the other 5% will be paid for with City funds. No public comments made.

Assessing – The Mayor stated there is one project to be funded this year, the continuation of the reassessment of all property in the City of Keene. This project began last year. This is a recurring project that is done every 10 years. No public comments made.

City Facilities – There are a couple projects that are proposed for this year including maintenance and upgrading of certain City facilities, and the second of which is the Library Renovation Project. He continued the second project is an $8 million dollar project of which $2 million dollars is proposed to be funded through City bonds.

Kenneth Jue of 23 Ridgewood Ave read the following statement into the record:
As a long standing Trustee of the Keene Public Library, I would like to thank you for this opportunity to offer a few words in support of the City of Keene including a bond of $2 million in the City's CIP plans to help enable the important renovation and creation of a physical connection of the Keene Public Library and Library Annex (otherwise known as Heberton Hall).

Of course, I have heard and recognize several concerns and questions regarding the City's debt limit and that the proposed renovation project for the Library would necessarily bring about some degree of increased operational cost in the Library's budget. To be debt free is a desirable *goal, but some debt might be better characterized as an "investment," which is a more positive perspective. I would say that the renovation of the Library Annex would be more appropriately cast in this light. I would suggest that an investment that promises so much and poses low risk or, cost, as in this instance, is most worthy of your serious consideration and support. Secondly, we realize that there would likely be increases in some of the library's operational expenses; therefore, this is being evaluated to identify the projected increases. It would also be reasonable to expect some increased revenues due to the strong openly expressed desire and interest in our community for more community space as proposed in the Library's renovation plans. These revenues could be used to offset at least some of the projected additional costs. (Currently, revenues earned through rental fees at Heberton Hall offset the full costs of a halftime activities monitor/supervisor.)*

On the other side of the ledger there are sound reasons for investing in this renovation project. The planning of the renovation has been a positive and creative partnership effort among the Friends of the Keene Public Library, the Trustees of the Library and the City of Keene staff. This is a prime example of an innovative public/private partnership. Thus far, the funding of the early planning and architectural phases has been borne by the Friends organization and the Trustees. The construction costs are identified to be $8.8 million, although the total value of the project will be approximately $14 million. The ultimate funding of the project will come from an imaginative combination of $5 million to be raised through an energetic fundraising campaign already underway, the anticipated $2 million City CIP bond and the balance through New Market Tax Credits (with the able assistance of Mr. Jack Dugan of the MEDC organization). Thus, for $2 million the City and the community will gain a tremendously improved asset. How often can one get such an impressive match for each dollar invested!

The Library Annex will become totally usable and will add more than 20,000 square feet of space for community use. The entire structure will become a productive community venue! Even without this proposed renovation project, the Library Annex would require safety improvements (ex. Electrical upgrades) and a HVAC system, which is currently not available in that building, and which in the heat of summer makes the building virtually unusable for several months. It would also need to have repairs to the outside of the building, as its appearance is noticeably deteriorating and continuously worsening.

This project is certainly in keeping with the City's vision reflected in its Comprehensive Master Plan whereby Keene offers a creative, attractive learning culture or environment that contributes to the community's quality of life and simultaneously adds to the competitive and economic viability of the City. This creative renovation project, enabled with the City's CIP investment, builds upon our community's reputation and aspiration as a safe and welcoming place for the young, for families, for our elders and for persons of any and all circumstances in equal consideration. I firmly believe that our public library is a critical and invaluable resource to our community and our residents, and we all need to be the best stewards of such an asset on behalf of our community. Your full support of this project would be a strong affirmation of this duty.

Judith Putnam of 168 Court Street read the following statement into the record:

I am a Thayer Trustee of the Keene Public Library and was a trustee when we did the 1998 addition. When that addition was completed, the trustees set a long-range goal of reaching out into the community to bring in new library users. We have done this very successfully, particularly through new programming aimed at young children and their families and caregivers with story times and parenting programs; at teens, with programs like Poetry Out Loud (a national poetry recitation contest), chess club, strategy game groups, a math club, and maker workshops. Many older adults come for movie and lecture series, book club discussions and instruction in technology.

In 2003, the Friends of the Keene Public Library and the Trustees were able to buy the adjacent Masonic building and transfer ownership to the City for the future benefit of the Library.

Almost immediately, with the support of the Friends who funded the improvements necessary to make the first floor code compliant and useable, Heberton Hall was opened for public use. The City rented part of the ground floor to Cheshire TV. For ten years now, Heberton Hall has been used for formal meetings, informational gatherings, play productions and Chautauqua performances, family dances, and author presentations. To mention a few of the many things that happen there.

The number of events and the number of people coming to them is amazing! More than 24,000 people came to 1,800 events at the library last year. That's in addition to the 274,000 items checked out every year, and the 22,000 times that patrons access the internet on Library computers.

The Library provides, at no charge, a broad array of services to the citizens of Keene, which helps to make Keene the vibrant and attractive community that it is.

The Library Trustees are extremely proud of the Library and I believe the City Council is too.

The Library is at the point where it needs more space. We own the building next door. We need, now, to bring it in to full use. It's a historic, old building, and it's not a simple project to bring it up to current safety, access and environmental standards. But the space it offers will serve many needs: well-equipped flexible space for meetings, tutoring, conferences, theater productions, and children's activities; a new entrance and social space to connect the buildings, new access from West Street, oriented more to downtown and parking on Gilbo Avenue. It will provide useable outdoor space for children's summer reading events and other gatherings, and a dedicated space for the Friends phenomenal book sale!

The Trustees believe that an investment of $2 million by the city, with the addition of a capital campaign aimed at raising $5 million, and the application for Federal tax credits to provide the rest of the funds needed to accomplish this vision, would be money wisely invested. All the citizens of Keene would have free access to a vibrant 21st century Library for decades to come. Thank you.

Paul Henkel, member of the Library Board of Trustees, read the following statement into the record:

I have been a member of the Library Trustees about 20 years. During most of those years I have served on the Buildings and Grounds Committee of the Trustees, which attends to the physical plant and to the repairs needed for the Library and in recent years to the Annex. The $2 million dollars capital improvement funding requested from the City will assist in making repairs to the annex building which would otherwise be necessary and making some of the basic infrastructure improvements which are needed to fully occupy it. The City portion of the funding will be about half of the estimated $4 million which will be needed for repairs and infrastructure.

Donations and tax credits will extend the project to complete the amount needed for repairs and infrastructure and provide the connector essential for ready flow of programming and supervision.

As a result we will take a historic building which is only being used on the first floor and which needs serious attention to roof, eaves, windows, other exterior surfaces; interior flooring, bathrooms, fire protection, HVAC- have I left anything out? And we will provide a fully repaired and functional building with ADA access to fully utilize the entire building.

We will appreciate your support of this public and private partnership which will accomplish the repairs, and attending to the basic infrastructure which needs to be addressed anyway, and providing a connector from the main library building. This will provide a 21st century library with access to information resources and a place for us to meet, collaborate and learn throughout our lives.

Jennifer DeCoste of 86 Hurricane Road read the following statement into the record:

Good evening. My name is Jennifer DeCoste. I am the assistant director at Keene Community Education and a Keene Public Library Trustee. I too want to put forward my support for the Library Connector Project. The proposed addition of a connector atrium and the renovation of Heberton Hall will enhance the library's mission "To provide free, open, and convenient access for all Keene residents to acquire information for growth in their personal knowledge; for life-long learning and enjoyment; for the fulfillment of informational needs, desires, and curiosities; and for enhancing quality of life in the community."

The proposed new and updated spaces will create a technological and creative center giving the library a greater ability to help Keene citizens acquire the 21st century thinking and technological skills critical to building and maintaining an educated and informed citizenry. As a literacy and language educator, I see the need in our community for increased space in which creativity, collaboration, communication, and critical thinking skills can be nurtured. I see the need for increased access to information, media, and technology. The proposed meeting, creative, and performance spaces included in the plans for the Library Connector Project meet this critical need and demand.

Keene is proud of our public library. The library is rich in resources, offers high-quality programming, and has a top-notch staff. The history of our library has been one of growth and forward thinking; but to continue the legacy of our proud history we again must have room to *grow as our thinking continues to be expansive and inclusive of ever-changing informational and technological needs.*

It is for these reasons I ask for your support for the Library Connector Project. I respectfully request you to remember the significant contribution our library makes in helping to create the high standard of quality of life we enjoy in Keene; and please support the library's ability to continue to do so for future generations by supporting the Library Connector Project.

City Clerk's Office – The City Clerk has one project for this year which would be the purchase of mobile compact shelving to extend the usefulness of the life of our records storage facility. No public comments made.

Fire Department – The Fire Department has several projects slated for this year including: defibrillator replacement, which is a continuation of a project that began last year; the fire alarm system municipal infrastructure upgrade; the mobile radio replacement, which is also an ongoing project that began last year; and the portable radio replacement which is a new project to upgrade these to current radio standards. No public comments made.

Information Technology – There are two projects: the upgrading of the database software, and replacement of servers, which is an ongoing project. No public comments made.

Parks and Recreation – The Mayor noted the first project would be the paving of certain roads within the cemeteries of the City of Keene that have deteriorated over the years. In addition, there is a project for the implementation of the concept plan for Wheelock Park which involves new restrooms, a new maintenance building and facility upgrades. Also scheduled next year is replacement of the tennis courts at Robin Hood Park.

Planning – We have a project to do a study of the Jonathan Daniels Trail, which would connect Summit Road along Maple Avenue with the Appel Trail which comes out next to the Hospital.

Public Works – The Public Works Department has several projects that are scheduled. The first is the capital reserve that authorized by the City Council through the collection of a $5.00 fee on each vehicle registration. We are expecting to collect about $100,000 in that fund, and it would be used at some point for the acquisition and construction cost of transportation facilities. Next would be the rehabilitation of the portion of Castle Street that extends into Harper Acres. This road is badly deteriorated and has not been upgraded in a number of years. The City will be working with the Housing Authority to cooperatively upgrade the infrastructure on that section of Castle Street. There is also a project for curb installation, which is primarily upgrading and repairing of existing curbs. There is also a project to begin the study of the Downtown revitalization. He noted it has been since 1988 that we last did any major work on the Downtown; much has changed since then and we will now be putting some money aside to bring in a consultant to see what additional work needs to be done to maintain the area that has been designated as one of the 10 best public spaces in the United States. We want to maintain that rating and take care of that area. Public Works is also proposing to do some work on the Goose Pond Dam which was prompted by a determination from the NH Department of Environmental Services. This project would spend $106,000 to bring it up to current standards. Moving on to the City roadways, we have $1.1 million dollars set aside this year for maintenance of the existing roads within the City. There is a fairly long list of roads that will be worked on, but there is not major project proposed. Most of these are overlays of existing roadways. The City is also proposing to build a new sidewalk on Emerald Street. Part of that street does not have a sidewalk and there are a lot of pedestrians on that road. We will also be doing a good deal of repair work on sidewalks that have deteriorated. The Marlboro Street corridor design plans is also slated for this year and that is an area that we have recently done a zoning study on. At this time we are beginning with design plans for proposed improvements to that corridor. There is also an ongoing project for cleaning and maintaining storm drains as well as an analysis of our storm water system management, particularly in areas that are prone to flooding.

Dave Curran of 16 Prescott Street stated relative to the Marlboro Street rezoning, a lot of work has gone into this. He noted there is a letter further on in the agenda from Councilor Richards speaking to the same issue. He continued there is $25,000 slated for next year for design as well as $171,017 for FY 19. Mr. Curran stated he hopes that as we move forward this does not get shuffled down the line as a lot of projects in the CIP have in the past. He stated he was riding home from work the other day and he noticed that the entirety of Elliot Street is no longer a neighborhood street and only two families live along that street now. He would like to see this project fast tracked. Mr. Curran stated that although we thought we were gaining ground, the loss of residents in the neighborhood is alarming.

Mayor Lane noted the letter that Mr. Curran mentioned from Councilor Richards will be referred to Committee this evening, and that will begin a discussion relative to further work and improvements that could be done on the east side to deal with the issues Mr. Curran is raising.

Parking Fund – There is one project proposed which is the resurfacing and maintenance of parking lots. There is no plan for a new parking lot at this time. No public comments made.

Sewer Fund – The first item is the capital reserve for Martell Court to upgrade the sewage treatment facility on that street, which is part of an ongoing project. This year we also have the sewer infrastructure capital reserve, which is money that is set aside for emergencies related to the sewage treatment plant. Parts of that system are quite old and these funds are necessary to repair unexpected leaks or breaks in that system particularly during this time of year. In the sewer fund we have the capital reserve for the wastewater treatment plant that is also an ongoing project that we have been working on for quite some time. There is also a project for the replacement of laboratory equipment at the sewage treatment plant as well as the replacement of part of the force main at Martell Court. There is also some sewer system and sewer main replacements, as well as some structural repairs to older sewer lines and a gate and mixer replacement at the sewage treatment plant and the replacement of the sludge pump.

Water Fund – There is a reserve account for unplanned repairs. There is also a project for dam repairs and Woodard and Babbidge Reservoir Dams. A failure of either of those dams would seriously impact the City water supply. There are also plans for improvements to water lines for distribution. We also have the cleaning and lining of water lines which is also an ongoing project. There is money set aside for water gate valve replacements. Each year we replace some of these valves. Also the pressure reducing valve at the water treatment plant is due for replacement this year.

The only other items in this year's CIP include some equipment replacements for vehicles that have come to the end of their useful life. At this time the Mayor stated he would accept general comments from the public on the CIP.

Joe Bartlett of 95 Main Street spoke regarding the proposed Skate Park project at Wheelock Park, noting he did not see it lumped in with the other Wheelock Park improvements noted in the CIP. He asked if the City is willing to provide any funds for this project. He explained there is a community group with 10 members that are working on funding for this project. Mr. Bartlett continued that they would be very appreciative of any funds the City would be willing to put toward this project in addition to the land that was already given. The Mayor stated this is proposed for funding in FY18, which will start in July of 2017. In next year's CIP that project would be included as a capital project in the budget. He continued that he would not want to speculate as to the amount that would be allocated, as we do not know what the final design will look like. He continued it would likely be contingent on what is raised in the community to assist with funding the project. Mr. Bartlett noted there is a final design and asked how best to provide that information to the City Council. Mayor Lane suggested they work with Parks and Recreation Director Andy Bohannon.

Bill Garland of 99 Maple Avenue stated he is the Chairman of the Monadnock Football Rugby Club and noted their home games occur at Carpenter Street Field. He stated he would like to put on the record their thoughts about the improvements to Carpenter Field. He stated that Mr. Bohannon gave them permission to use the field three or four years ago, making it possible for them to finally move into Keene and base their games here. They are based at Carpenter Field and work to assist the City in maintaining the location. He noted that in the beginning no one from the surrounding areas would come down to watch the games. They are now hearing comments from surrounding residents, such as people from Bentley Commons, that they are no longer afraid to come down to the field. They like the field and the people in the neighborhood like us there. Other teams appreciate the field as well, it is one of the biggest in New England and they are very pleased to have use of it. They would like to see these field improvements happen and they are going to make a huge impact on the City. The Mayor indicated these improvements are in the CIP for FY21 and he is hopeful they may be able to adjust that timing.

Councilor Manwaring noted the Southeast Keene Neighborhood Group is currently working with Mr. Bohannon on what they can do to make the Carpenter Street Field better on a volunteer basis.

As there were no further comments, the Mayor closed the hearing for oral testimony at 8:21 PM. He noted the hearing will remain open for written public comments until Tues March 8, 2016 at 1:00 PM. Comments must be signed and submitted to the City Clerk's Office. He also noted that any Councilors wishing to make amendments to the CIP should submit them in writing to the City Clerk. He asked the Attorney to comment on submissions from Councilors.

Attorney Mullins encouraged the Council, in light of the changes to the Rules of Order, to put their intent in writing prior to the FOP meeting. He noted it is within the Councilors prerogative to bring forward any suggestions at the FOP with the understanding that any such recommendations can be deliberated by the full City Council at their meeting when the CIP is adopted.

A true record, attest: Patricia Little

City Clerk

CONFIRMATION

A motion was made by Councilor Greenwald and duly seconded to confirm the following nomination: Marilyn Gemmell to serve as a regular member on the Heritage Commission for a term to expire December 31, 2018. On a roll call vote, with 14 Councilors present and voting in favor the motion carried. Councilors Kahn was absent from room.

NOMINATION

The following nominations to City boards and commissions were received from the Mayor: Terry Clark as a regular member to the Cities for Climate Protection Committee for a term to expire December 31, 2017; and Andrew Bohannon as a regular member to the Planning Board for a term to expire December 31, 2017. The confirmations will occur at the next regular meeting.

COMMUNICATION – PHILIP SUTER/GREATER KEENE CHAMBER OF COMMERCE – REMOVAL OF GRANITE CURBING – WEST SIDE OF CENTRAL SQUARE – SIDEWALK CAFÉ LICENSE

A communication was received from Philip Suter from Greater Keene Chamber of Commerce, registering his concern over the sidewalk café license issued to Pedraza's being in front of the Chamber during the Chamber's normal business hours. The communication was referred to the Municipal Services, Facilities and Infrastructure Committee.

COMMUNICATION – SUSAN PARKE-SUTHERLAND/KEENE FARMER'S MARKET – REQUEST TO USE CITY PROPERTY – GILBO AVENUE AND COMMERCIAL STREET PARKING LOT

A communication was received from Susan Parke-Sutherland from Keene Farmer's Market, requesting to use city-owned space specifically 23 parking spaces on Gilbo Avenue and 20 spaces in the Commercial Street Parking lot for the Farmer's Market in 2016. The communication was referred to the Planning, Licenses and Development Committee.

COMMUNICATION – DONALD J. ALEX – APPEAL OF PLANNING BOARD DECISION – CURB CUT – BAKER STREET

A communication was received from Donald J. Alex of 27 Baker Street, appealing the decision by the City Planning Board to deny his request for an additional curb cut to add one parking space. The communication was referred to the City Attorney.

COMMUNICATION – JOHN THERRIAULT – SIDEWALK PLOWING – DPW LABOR COSTS FOR SNOW REMOVAL

A communication was received from John Therriault of 76 Bradford Road, requesting the City staff research and report the actual labor cost over the last 5 years for the removal of snow from residential sidewalks. The communication was referred to city staff.

COMMUNICATION – TIM ZINN – DISRUPTIVE BEHAVIOR AT LARGE GATHERINGS OF STUDENTS

A communication was received from Tim Zinn of 43 Grove Street, requesting an opportunity to address the disruptive behavior at large gatherings of students. The communication was referred to the Planning, Licenses and Development Committee.

COMMUNICATION – COUNCILOR RICHARDS – MARLBORO STREET REZONING AND THE EASTSIDE OF THE CITY'S REVITALIZATION EFFORTS

A communication was received from Councilor Richards, requesting t the planning for the redesign of both the Marlboro Street corridor and the overall renewal of the east side of the City start. The communication was referred to the Planning, Licenses and Development Committee.

COMMUNICATION – MAYOR LANE – SUGGESTED ITEMS TO INCLUDE IN FISCAL POLICIES

A communication was received from the Mayor suggesting items to include in the Fiscal Policies. The communication was referred to the Finance, Organization and Personnel Committee.

PLD REPORT – SUGGESTED BAN ON SINGLE USE PLASTIC BAGS

Planning, Licenses and Development Committee report read recommending the City Council draft a letter supporting the concept of allowing local municipalities to create an Ordinance and design a framework for banning plastic bags. The Committee further recommended the communication from Ms. Baudrand be placed on "more time". A motion by Councilor Richards to refer this item back to the Planning, Licenses and Development Committee for further discussion was duly seconded. The motion passed with a unanimous vote in favor.

PLD REPORT – REQUEST TO USE CITY PROPERTY – ELECTRICAL DISTRIBUTION SYSTEM IN CENTRAL BUSINESS DISTRICT

Planning, Licenses and Development Committee report read recommending Eversource Energy be granted permission to place two pad-mounted transformers on City property adjacent to the Commercial Street Parking Lot. Said license is granted subject to the customary licensing requirements of the City Council and compliance with any recommendations of City staff. A motion by Councilor Richards to carry out the intent of the report was duly seconded. The motion passed with a unanimous vote in favor.

PLD REPORT – PERIODIC REPORT – CONSERVATION COMMISSION

Planning, Licenses and Development Committee report read recommending the periodic report from the Conservation Commission be accepted as informational. The report was filed as informational.

PLD REPORT – ADOPTION OF RSA 79-E "COMMUNITY REVITALIZATION TAX RELIEF INCENTIVE"

Planning, Licenses and Development Committee report read recommending the City Council authorize City staff to investigate the possibility of adopting RSA 79-E. A motion by Councilor Richards to carry out the intent of the report was duly seconded. The motion passed with a unanimous vote in favor.

FOP REPORT – AUDIT REPORT – MELANSON HEATH & COMPANY

Finance, Organization and Personnel Committee report read recommending the Audit Report prepared by Melanson Heath & Company be accepted as informational. The report was filed as informational.

CITY MANAGER – COMMENTS

The City Manager reminded City Councilors the Monadnock Trendsetters third annual Trendsetters reception will be held on Wednesday, March 9, 2016 and encouraged them to attend. He went on to state we have four City employees receiving an award: Tara Kessler and Will Schoefmann from the Planning Department, Jen Ramey from the Police Department and Meghan Spaulding from the Parks and Recreation Department. The City Manager went on to report that the Wells Street Parking garage has been updated with the recent installation of a bird barrier system on the lower level. This should make for a much cleaner facility for both cars and pedestrians. The City Manager went on to state that this year, the United Way has met their goal of $2,019,912 and the City has met their internal goal as well. He mentioned the efforts of City staff in supporting this goal, including Heather Fitz-Simon from the City Clerk's Office. The City Manager continued with an update on the Airport, noting that a draft lease was sent to Monadnock Aviation and a draft lease was also sent to a potential restaurant tenant who has a goal to be operational by April 1, 2016. He noted the tenant will be investing in the property by insulating the ceiling. The utilities have been separated out so the tenant will be paying them.

He explained the restaurant tenant would like to have an outdoor seating area, and the City is looking into constructing this outdoor area. The Hangar improvements have also been made and more information will be forthcoming on that. He continued to report that we have two organizations inquiring about building a new jet hangar on a previously prepared site at the airport. Much of the preliminary work has been done, and this is a shovel ready project. He ended that he will be asking the Council for the authority to speed up the process of negotiating and executing these leases.

MORE TIME

More time was granted by the Chair for the following items in Committee: Granite Curbing – West Side of Central Square and Request to Use City Property – Spring Street.

MSFI REPORT AND ORDINANCE O-2016-05: RELATING TO THE BICYCLE/PEDESTRIAN PATH ADVISORY COMMITTEE

Municipal Services, Facilities, and Infrastructure Committee report read recommending the adoption of Ordinance O-2016-05. The report was filed as informational. Ordinance O-2016-05: Relating to the Bicycle/Pedestrian Path Advisory Committee was read for the second time. A motion by Councilor Manwaring for adoption of the Ordinance was duly seconded. A motion by Councilor Manwaring to amend the Ordinance by deleting the second sentence in its entirety and replacing it with the following: "*All appointed citizens to the committee must represent a cross section of bicycle clubs, organizations and interests in the region.*" was duly seconded and passed with a unanimous vote in favor. Relative to the motion for adoption, on a roll call vote, with 15 Councilors present and voting in favor the motion carried. Ordinance O-2016-05-A declared adopted.

MEMORANDUM AND RESOLUTION R-2016-07: RELATING TO FURTHER MODIFYING THE DISTRICT BOUNDARIES OF THE WELLS STREET PARKING STRUCTURE AND INFRASTRUCTURE IMPROVEMENTS TAX INCREMENT FINANCING DISTRICT

A memorandum was received from the City Manager, along with Resolution R-2016-07: Relating to Further Modifying the District Boundaries of the Wells Street Parking Structure and Infrastructure Improvements Tax Increment Financing District. The memorandum was filed as informational. Resolution R-2016-07 was read for the first time. The Resolution was referred to the Finance, Organization and Personnel Committee. The Mayor set a Public Hearing for Thursday, March 17, 2016 at 7:00 PM.

RESOLUTION R-2016-08: IN APPRECIATION OF FINTAN P. MOORE, JR. UPON HIS RETIREMENT

Resolution R-2016-08: In Appreciation of Fintan P. Moore, Jr. Upon His Retirement was read by title only. A motion by Councilor Greenwald for adoption of the Resolution was duly seconded. The motion passed with a unanimous vote in favor. Resolution R-2016-08 declared adopted.

NON-PUBLIC SESSION

At 8:52 PM, a motion by Councilor Greenwald to go into non-public session for the purposes of discussion of land matters under RSA 91-A:3 II(d) was duly seconded. On a roll call vote, 15 Councilors were present and voted in favor. Discussion was limited to the subject matter. The session concluded at 8:58 PM. A motion by Councilor Greenwald to keep the minutes in non-public session was duly seconded. On a roll call vote, 15 Councilors were present and voting in favor.

RELEASE OF NON-PUBLIC MINUTES

On motion by Councilor Greenwald, voted unanimously to unseal the non-public minutes of December 17th relating to the hiring and compensation of Medard Kopczynski as City Manager. The reason for the minutes remaining non-public is no longer applicable.

ADJOURNMENT

At 8:59 PM, there being no further business, the Mayor adjourned the meeting.

A true record, attest: Patricia [signature]

City Clerk

PUBLIC HEARING NOTICE

Notice is hereby given that a Public Hearing will be held before the Keene City Council relative to Resolution R-2016-07 which would modify the district boundaries and the financing plan for the Wells Street Parking Structure and the Infrastructure Improvements Tax Increment Financing District to include land parcels which are the site of improvements to the existing library building, the renovation of the Library Annex for library use and the attachment of the Thayer Library and Library Annex to form an integrated Library Complex currently having a street address of 60 Winter Street and to allow the capture of any tax increment created within the district to be used to satisfy the principal and interest payments of any new bonds contemplated in this modification in addition to all purposes already set forth in Resolution R-97-20-A, Resolution R-2008-05, Resolution R-2011-08, Resolution R-2011-26, Resolution R-2012-21.

HEARING DATE: March 17, 2016
HEARING TIME: 7:00 pm
HEARING PLACE: Council Chambers, Keene City Hall

Attest:
City Clerk

K:\Council\Public Notices\Public Hearing\Modified Wells Street TIF_2016_Library.docx

In City Council March 3, 2016.
Tabled until the next regular meeting.

City Clerk

1A

City of Keene
New Hampshire

March 1, 2016

TO: The Keene City Council

FROM: Kendall W. Lane, Mayor

SUBJECT: Nomination

I hereby nominate the following individuals to serve on the following Board or Commission.

CITIES FOR CLIMATE PROTECTION COMMITTEE
Terry Clark, slot 2 — Term expires December 31, 2017

PLANNING BOARD
Andrew Bohannon, reappoint, slot 8 — Term expires December 31, 2017

2A

Keene council needs to take a stand on pipeline, by Sarah G. Wilton

Posted: Thursday, February 18, 2016 12:00 pm

~~Open letter to the Keene City Council~~: TO MAYOR & COUNCIL:

Referring to Jeffrey Scott's Feb. 6 letter, "'Keene Wrong to Shun Pipeline Concerns" and the Sentinel's Megan Foley Jan. 23 article "City Remains Mum on Pipeline," I respectfully request that the Keene City Council go on record to oppose or endorse the Northern Energy Direct (NED) pipeline. I also ask that the City Council vote to join the communities of Amherst, Brookline, Fitzwilliam, Greenville, Hollis, Hudson, Litchfield, Mason, Merrimack, Milford, New Ipswich, Pelham, Richmond, Rindge, Troy, Winchester and Windham, nine N.H. state agencies, and 2,000 individuals and businesses to seek intervenor status with the Federal Energy Regulatory Commission. Although the Jan. 15 deadline for claiming intervenor status has passed, the FERC reportedly accepts late motions to intervene. It is also requested that The Sentinel and the public receive advance notice about council deliberations on this vote.

The NED pipeline project has implications beyond our local community and represents a microcosm of national and planetary energy policies. Locally, the pipeline choice is about defining New Hampshire's economic future: whether it continues to be a national renewable energy leader (Sentinel article Feb. 8) and become a "landing place" for businesses, innovators and leaders in the green economic sector (Business Monadnock January-February 2016) or alternatively, regress to a future tied to dated fossil-fuel-dependent corporate interests under the false and dated argument of economics. Indeed, the classic economic models are out of place in 21st-century constructs because they fail to recognize and incorporate environmental and by extension health costs in their mathematical calculations.

While the 30-inch-diameter, high-pressure transmission pipeline pushes cheap fracked natural gas from the shale fields of northern Pennsylvania to a hub in Dracut, Mass., it cuts through New Hampshire Currier and Ives scenic towns and provides significant risks to natural resources and habitats. The NED pipeline isn't slated to pass through Keene but it is proposed to come within a 20-minute drive of Keene. Problematically, the air we breathe and water we use for drinking, recreation and sanitation that may be at risk from this project at its installation and fruition do not recognize this geographic boundary. As ecological challenges of clean water and air emerge, they create new paradigms of how social systems relate with nature.

That the world is recognizing this new social-nature relationship was recently evidenced in Paris this past year when nearly 200 countries reached agreement to participate in setting limits to global warming. While critics argue that the agreement doesn't go far enough, the agreement is the first collective recognition that climate change is a threat. Besides contradicting the letter and spirit of this accord, the NED will additionally be susceptible to greenhouse gas phase-out targets and thus is almost certain to never become fully implemented. Thus the havoc wreaked on our pristine environment and picturesque towns and villages will be permanent while the economic savings, if any, will have a limited shelf life.

But Keene and New Hampshire do have alternatives. In "Power Play" (Sentinel, Feb. 8) New Hampshire is described as a national renewable energy leader. According to the Federal Energy Information Administration, New Hampshire ranked fourth in the nation in the categories of renewable energy generation and growth, per capita carbon emissions and solar energy incentives. According to Business Monadnock (January-February edition), "an integrated community approach with environmental progress at its heart" is the key to transforming the Monadnock Region into a green destination. Already paving the way for this transformation are Antioch University New England and other leaders in the locally grown food and renewable energy sectors of our community. Certainly having a toxin-free environment where nature is protected is also consistent with Vision 2020 of proactively promoting health and wellness.

The NED pipeline is not in the best interests of our global or local communities. It is hoped that the City Council will join with other community activists and communities that are resisting an intrusion into our region that can best be described as colonialist, a relationship that establishes and exploits territory of another through an unequal power relationship. The Keene City Council in going on record as opposing the establishment of this relationship, has an opportunity to play a vital role in our community's history and future.

SARAH G. WILTON Sarah G. Wilton

127 School St.
603 352 9626
Keene

Faye Stephens
14 Barrett Ave
Keene, NH 03431
358-2379 / 762-1259

TERRY M CLARK
14 BARRETT AVE
KEENE NH
601-8347

2B

105 Mason Rd
Brookline, NH, 03033

February 21, 2016

City Council
City of Keene
3 Washington Street
Keene, New Hampshire
03431

Dear Keene City Council,

The New England Aerobatic Club (NEAC), International Aerobatic Club Chapter 35, and I, thank you for our flying at the Keene Dillant-Hopkins Airport. The last 8 years of practice flying days at Keene have greatly helped the development of our aerobatic competition pilots and I hope we have had a positive effect on the airport. I personally was able to go to the 2015 US National Aerobatic Championships and achieve a top-10 finish in my division. The practice flights at Keene were a part of that.

NEAC and I request that we renew our airport agreement with the City for 2016. We hope to be able to schedule the first Keene practice flying day of 2016 in May. We look forward to another successful year flying at the Keene Airport.

Sincerely,

Weston Liu

Weston Liu
For the New England Aerobatic Club

Hello Mike!

Enclosed you should find my letter requesting that the City Council renew the agreement for aerobatics at Keene.

Please keep me posted on progress. I am best reached by e-mail but my home telephone is 603-673-6538.

Thanks!

Wes Liu

2c

WALPOLE MOUNTAIN VIEW WINERY

at Barnett Hill Vineyard LLC

March 14, 2016

Keene City Council
Attn: Patty Little
3 Washington St.
Keene, NH 03431

Dear Keene City Council Members:

I respectfully request your permission to sell the wine produced from my grapes at Barnett Hill Vineyard, 114 Barnett Hill Rd., Walpole, NH, at the Keene Farmers Market for calendar year 2016.

By N.H. Law, it is an annual requirement by the State of New Hampshire Liquor Commission that I formally request such permission of every town in which I participate in a Farmers Market.

The Keene Farmers Markets are scheduled for January through April, and November and December the second and fourth Saturdays from 10am to 2pm at the Colony Mill Marketplace, and May through October, every Tuesday and Saturday from 9am to 1pm in the parking lot off Main St. behind the Colonial Theater. There will also be an "Earth Day" celebration market in April and a "Farm Fest" event at Stonewall Farms, Chesterfield, NH, the weekend before Thanksgiving in November.

I hold current copies of both my Federal and State permits to manufacture/produce and sell.

In the State of New Hampshire, wine manufacturers are allowed to sell wine at bone fide Farmers Markets, of which Keene Farmers Market is one. Legally, sampling is not allowed; therefore, there are no open containers. It is my lawful duty and responsibility to ensure that all persons purchasing wine from me be of appropriate age and sobriety to make such purchases, a copy of my training card is already on file with your office.

My commercial winery liability insurance covers sales on and off my premises as well as product liability. For verification of said insurance you may contact: Clark-Mortensen Ins. Agency, Lisa A. Jackson, (603)352-2121. Ref: Central Mutual Ins. Policy #CLP 8628824.

Should you be willing to grant me permission to sell wine at the Keene Farmers Market during 2016, <u>a letter would need to be sent by your Council directly to the State Liquor Commission, Bureau of Enforcement, Attn.: Mr. James Barbuti, 10 Commercial St., P. O. Box 1795, Concord, NH 03302,</u> as soon as possible.

Thank you for your consideration and assistance with this matter. I am available to answer any questions or appear before your Council at your convenience.

Respectfully yours,

Virginia L. Carter

Virginia L. Carter, Owner/Vintner
Walpole Mountain View Winery
at Barnett Hill Vineyard, LLC
114 Barnett Hill Rd., Walpole, NH 03608 (603)756-3948
www.bhvineyard.com **E-mail:** walpolewinery@gmail.com

February 22, 2016
The Farmers Market of Keene
PO Box 425
Keene, NH 03431

City of Keene
City Hall
3 Washington St.
Keene, NH 03431

To whom it may concern:

This is to confirm that Virginia Carter of Walpole Mountain View Winery at Barnett Hill is a member of the Farmers' Market of Keene. The market meets from the first Saturday in May to the end of October, Tuesdays and Saturdays from 9 a.m. to 1 p.m- in the parking spaces on Gilbo Avenue between Main Street and St. James Street. From November through April, the market meets Saturdays from 10 a.m. to 1 p.m. at the Colony Mill Marketplace on West Street.

Sincerely,

Susan Parke-Sutherland
Co-coordinator
Farmers Market of Keene

2D

Date: March 14, 2016

To: Mayor Lane and City Councilors

From: Jay Kahn

Subject: FY17 Capital Improvements Program

Background

The proposed FY17 Capital Improvements Program (CIP) includes an increase in Capital Projects funded by general fund revenues of $404,629, a 43% increase over the FY16 budget. The increase represents a 1.7% increase over the FY16 property tax revenue, exceeding our fiscal guidelines before we begin to consider operating needs.

In order to hold down property tax increases in FY17, I propose the amending the CIP to limit its impact on property taxes to a 1% increase. The proposed amendment differs from those offered at the Finance Operations and Personnel Committee's March 10th meeting and incorporate three important discussion points raised:

1) hold down the property tax increase by limiting the current fund increase due to the CIP to not more than $280,000, a 1% property tax increase;

2) the bonded portion of the CIP in FY18 is $1.36 million less than FY17 and has some capacity to cover long term capital needs such as a fire engine replacement which has a 15-year useful life;

3) the CIP needs to recognize replacement costs of high cost fire safety vehicles, and

4) there are some items in the FY17 CIP that are recurring in each year of the CIP, cost less than $60,000 and could be part of a pay as you go obligation from the general fund.

Amendment

I propose the FY17-FY22 Capital Improvement Program be amended as follows:

- Reduce the Capital Reserve (fire) Apparatus Replacement (pg. 38) funded from the general fund from $400,000 to $100,000 in FY17 and FY18,
- add a line for fire engine replacement (pg. 38) in FY18 for $800,000 funded from bond funds,
- Change FY17 funding source for Curb installation ($59,922, pg. 70), Sidewalk (replacement and repair - $59,922, pg. 82), and Stormwater Drainage Spot Repairs ($29,922, pg. 88) from bond funds to general funds.

Rationale:

Capital Reserve Apparatus Replacement (Fire) (pg38) – A fire engine replacement is required in FY18. The CIP proposes raising $800,000 for an FY18 this purpose by allocating in FY17 and FY18 $400,000 from the general fund. Funding this item from the general fund accounts for nearly all of the CIP's impact on the general fund and if funded in this manner the property tax rate would rise by 1.7%. Then, in FY2020 a similar initiative, Ladder Replacement (pg.39) for $1,000,000 is to be replaced through bond revenues. Both replacements are of vehicles with a 15-year useful life and can be considered in a similar funding model. The impact of bonding for $800,000 of the FY18 engine replacement is .16% assuming repayment beginning in FY19 at 2.5% for 15 years. The amendment alters the CIP in FY18 requiring the City to raise $800,000 from bond revenue by adding to funds the FY18

The amendment also recognizes the **Capital Reserve Apparatus Replacement** (Fire) currently has a low balance of $97,000. Funding this with $100,000 from current revenue in FY17 and FY18 rebuilds the fire apparatus reserve and will enable the City to cover inflation or changing code requirements for the fire engine replacement funded in FY18 through $800,000 from bond revenue. Continuing allocations for Apparatus Replacement of $245,000 are recommended for FY19 to FY22 in the CIP.

The last part of the amendment addresses several small recurring maintenance requirements recommended in the CIP for funding through bond revenue. If there is a goal for funding as we go, these are items most likely to be funded from operating funds. This includes moving the following FY17 CIP projects items from bond funded to operating funds: Curb installation ($59,922), Sidewalk (replacement and repair - $59,922), and Stormwater Drainage Spot Repairs ($29,922).

In total these amendments leave the property tax impact of the FY17 CIP with an increase of approximately $280,000, the equivalent of a 1% property tax increase. The amendment minimally changes the calculation of debt and capital spending as a percent of total expenditure target. In total, the amendment moves the Council's action on the CIP closer in line with the fiscal policy guidelines and sets a direction for future CIP requests.

Cc: Medard Kopczynski, City Manager
Patty Little, City Clerk

2E

Date: March 14, 2016

To: Mayor Lane and City Councilors

From: Jay Kahn Jay Kahn

Subject: FY17 Capital Improvements Program

Background

This proposed amendment to reduce funding for Jonathon Daniels Trail Study was considered at the Finance, Operations and Personnel Committee's March 10th meeting. During questions and answers new information not available in the CIP was presented that I feel merits consideration by the full Council.

Through a recently awarded Transportation Alternative Program (TAP) grant, the City will complete one of the three alternative paths referenced in FY17—the path that links Appel Way to Park Ave. to Summit Road to Annie Brown Rd. to the Cheshire Trail already exists and the grant will connect to Hurricane Road. This path also connects to Maple Ave. along which one can travel easily to Jonathon Daniels School.

Amendment

I propose the FY17-FY22 Capital Improvement Program be amended by reducing funding for the Jonathon Daniels Trail Study to $0 in FY17.

Rationale:

Planning another path to Jonathon Daniels School, one that connects either to the Route 12 by-pass or along the Ashuelot River, has so many safety concerns that I have had many people express wonder as to why the City Council would continue investigating these routes. I advocate for complete streets and I believe the funds could be better applied to projects that enhance pedestrian and bicycle safety. The source of funds saved would remain in the Transportation Fund available for future projects.

Cc: Medard Kopczynski, City Manager
Patty Little, City Clerk

3A1

City of Keene
NEW HAMPSHIRE

March 9, 2016

TO: Mayor and City Council

FROM: Municipal Services, Facilities and Infrastructure Committee

SUBJECT: **MEMORANDUM – City Clerk – Significant Items of Legislation**

On a vote of 5-0, the Municipal Services, Facilities, and Infrastructure Committee recommends the City Council endorse City of Keene staff support of NH HB 1619 with an amendment to expand it statewide.

Chairman/Designee

Background:

Patricia Little, City Clerk, stated that this is an annual process, which began with Bill Lynch when he was the Mayor. She continued that he was a former State Representative. A few other Mayors have been State Representatives, such as Mayor Russell and Mayor Lane. They come with a perspective and an understanding of the relationship between local and state government. Mayor Lynch approached her and the City Manager about staff and the City Council taking a more active role in the legislative process. He started an exercise that has continued since 1994. In 2009 the City Council adopted a policy to institutionalize this process even more. The first part of the policy talks about being aware of legislation. The bills in Concord can affect the City and Keene's citizens dramatically. The second part is to actively take positions on bills, and go to Concord to testify. The City Council and its committees can expect to have staff show up at their meetings to give their professional opinions. With legislative meetings, people may come, or they may not. Many of those meetings are attended by lobbyists with very stringent perspectives, and you may not have the end users in attendance, the people who are most affected by the bills. It is not guaranteed that you will have that balanced input. Mayor Lynch was interested in making certain that the City created a relationship with the local delegation and the legislative committees in Concord, such as Municipal and County Government (which former City Council member Kris Roberts speaks to, as well as Bruce Tatro in Swanzey), Election Law, and Public and Municipal Affairs (which Senator Kelly has been a member of for a while.) When you testify on bills, you develop a relationship, and credibility for the City of Keene, for not just the position on that particular bill, but your professional perspective on what is going on in Concord and its effect on local government.

The City Clerk continued that it is important to follow through with this charge annually. From January until the end of the legislative season, at the City Manager's weekly department head meetings, legislation is an agenda item. She leads the discussions about what is coming up. They go around the room and speak about the issues that directly affect their operations. The City Council has been supportive and confident in staff taking positions from their professional perspectives and testifying on behalf of their departments in Concord. Some communities do not have that kind of trust in department heads and every position that is communicated to Concord is going through the City Council's process to authorize it, but the City Councils in Keene over the years have been comfortable with staff's positions. City staff members are careful to speak to the nuts and bolts of issues and stay away from the politics of them.

The City Clerk continued that there are concentrated efforts by department heads on a weekly basis, but the time comes when there is a political process, when they bring items to the City Council. They determine what the "significant" items of legislation are that warrant the City Council's attention - for example, legislative items that would trigger a budgetary impact or a significant operational impact, or dovetail well with the Comprehensive Master Plan (CMP). This year, they are a little light in the amount of bills coming to the MSFI Committee, and they are not sure why, but that is not so important. What is important is being consistent in this process.

The City Clerk continued that the Police Department will speak tonight to the legislative item. This City Council policy sets up the annual Legislative Delegation meeting, which they open to area selectmen, and their State representatives. It will be at the end of March. They try to piggyback that to a regional topic. This year representatives will come from the Department of Resources and Economic Development (DRED) and the Southwest Regional Planning Commission (SWRPC) to speak about economic development issues for the region. She encourages City Council members to go.

Steve Russo, Police Captain, stated that he is here to speak about House Bill 1619, proposed legislation that speaks to wanting hospitals only in Hillsborough County to be required to document every time someone is treated with Narcan, either prior to admission or while in the hospital. The hospital would be required to the Commissioner of Health and Human Services the number of people who have accepted or declined services from a Recovery Coach. This program offers recovery help from trained Recovery Coaches who have completed the accepted curriculum from the Board of Licensing of Alcohol and Other Drug Use Professionals. The Police Department feels it would be beneficial to have this legislation throughout the state, not just in Hillsborough County, for many reasons. The main reason is the Coordinated Access Point (CAP) program that will start very soon in Cheshire County. He thinks the money was just released today. There is another meeting about that program tomorrow night that Chief Costa will attend. As that program starts in Cheshire County, it is important for this legislation to be at least in Cheshire County, and everywhere else in the state that might be doing this program, which is becoming more and more necessary. The Police Department does not know why this bill only includes Hillsborough County; it probably has to do with the nucleus of population. They think it should apply throughout the state.

Councilor Lamoureux stated that he knows they work with Cheshire Medical Center. He asked if anyone has had discussions with other hospitals to make sure they are on board with this. Captain Russo replied that he cannot answer that. He asked the Fire Chief.

Fire Chief Mark Howard asked if the question is about hospitals' involvement with the CAP program. Councilor Lamoureux replied no, he wants to make sure area hospitals do not have negative feelings regarding the idea of applying this bill to the whole state instead of just Hillsborough County. Captain Russo replied that he does not know the answer to that, but he can find out. He continued that the CAP program here does not have anything to do with the bill specifically. They think this soon-to-be-implemented program will be a push to get this bill to apply to the rest of the state. No, he does not know about coordination elsewhere in the state. The legislative process they are doing here is to give the MSFI Committee their opinion on budgetary restraints, operations, or service delivery, and this falls under service delivery.

Chief Howard stated that this has been a dynamic, rapid process going on for the past several months. He continued that some weeks ago he and Chief Costa attended three or four meetings beyond the Mayor's Committee, regarding logistics. What they are talking about tonight is from a Police standpoint. He stands on a subcommittee through the NH Fire Chiefs that it is looking at a similar bill. Everything is happening so rapidly and everyone is trying to do the right thing. Many things are overlapping and may not be as coordinated as they seem. For the CAP program they have been working very closely with the hospital. Something unique they have, in this program for Cheshire County, is that all the patients Keene Fire picks up go to Cheshire Medical Center. Some may end up going to Peterborough, NH or Brattleboro, VT, and folks in the Fitzwilliam, NH area may go to Gardner, MA. They just put out a communication to the Police and Fire Chiefs in the County, saying that they are trying to put the logistics together here. The State has awarded the funds for the program here in Cheshire County, and once they develop a model of the patient and coach interaction at Cheshire Medical, they will offer it to Peterborough, Gardner, and Brattleboro. Whether it is the legislation they are talking about tonight or other things, it has been a dynamic process to keep up with and they are doing the best they can.

Captain Russo stated that their focus in this process is on legislation that Keene department heads are taking positions on, and he is not sure how far they want to go to get opinions outside of Keene and let that influence what they think will be best for the area.

Councilor Lamoureux stated that he thinks this is a good program. He continued that if they are going to get support from the state, in the long run, they need to have as much information as possible and to know the numbers. He wants to make sure that everyone is on board, because his experience in his past history with other organizations was that it was hard to get everyone on the same page. This is a good start.

Councilor Filiault stated that he is Co-Chair of the City's committee on substance abuse, and the issues are overwhelming. He continued that he knew the city had an issue with substance abuse, but he is learning that just when he thinks he knows more, he finds out he knows less than he thought. Taking something relatively small like this step is actually a huge move forward. It will be pieces at a time. There will be overlaps. The epidemic has gotten so huge they need to go one step at a time. If they overlap something, okay, they can look at it and adjust. There is so little time to waste. Anything they do to try and slow down the out of control freight train is helpful.

Councilor Filiault asked: if there are, say, 20 Narcan revivals, are they finding that those are based on five or six individuals? The Fire Chief replied that he does not have the numbers with him tonight, but the Police and Fire Departments are getting requests, almost daily, for these statistics. He continued that they are tracking the number of patients, number of Narcan administrations, and number of deaths. He will post the information monthly, due to receiving so many requests. Numbers for January and February will be posted on the press release section of the Fire Department's website. Monthly, they will provide a total number of patients and Narcan doses. He continued that he thinks there have been 18 patients since January 1, 2016, with approximately 40 administrations of Narcan. Yes, there have been repeats. They gave Narcan to one person nine times, although that is not the norm. He asked if the Police are seeing trends.

Captain Russo stated that with the new statute they added a way to document when they go to a call. They are not arresting people. They document "drug overdose" so they can log it and keep track. He does not have the numbers tonight but he recalls that recently one person had Narcan three times in one weekend, but that is anecdotal, and the Fire Department has better numbers. It is true that they have to do this one step at a time.
If the bill only requires Hillsborough those numbers will be looked at and that is where the funding will go. Keene has had two deaths this year. He believes Manchester had nine. Keene is about one fifth of the size of Manchester, so, they are at the same per capita rate as Manchester. So if this legislation is just for Hillsborough, Cheshire County and other areas are missing out. Chief Howard replied that Manchester had 20 deaths, and Keene has had two, so per capita, they are pretty close.

Councilor Hooper stated that he commends Captain Russo and Chief Howard for tackling this. He continued that he saw John McCain on CSPAN, talking about drug enforcement, and he mentioned NH, specifically, as having a critical problem with heroin and opiates. It is unfortunate that NH is getting national attention. This is a massive problem and he endorses anything that is getting done to address this.

Chair Manwaring stated that there is also a perception, which probably comes from movies and other media, that when Narcan is given, people come back to life and are fine. She continued that sometimes people have Narcan at home but call for emergency services anyway. She asked for them to explain why a person who receives Narcan at home would still need to go to the hospital.

Chief Howard replied that that is a great question and he is glad she brought it up. He continued that this is the critical issue he is worried about. CVS recently reported that you do not need a prescription for Narcan. This means that people can go to CVS and buy Narcan, say, before they have a party. Federal and State funding for this is being driven by statistics. The way that the City tracked it ten years ago was different from how they have been tracking it for the past six to eight months. The Fire Department improved their procedures to make it more accurate, based on the calls they go to. The over the counter dose for Narcan is two milligrams. As he stated, there have been 18 people in Keene (since January 1) who received 40 doses of Narcan, which is a little over two doses per person. For example, EMTs responded to a person at Carpenter Field who had overdosed. It took four doses of Narcan for his respiratory drive to come back. That was after EMTs provided rescue breathing for 20 minutes. If a person overdoses and a friend who bought Narcan gives just one dose and does not know basic information about what to do, the person who overdosed spirals in the wrong direction. Maybe the friend only has one more dose available. The person might not wake up. EMTs have seen people putting a person who overdosed in a bathtub and trying to wake up them with cold water, which will not work. If a person has overdosed the friend needs to call 911 right away. It is not enough to just give them Narcan. The critical component is rescue breathing or full CPR. This is critical for the public to understand. In many cases, two doses of Narcan is not enough. On New Year's Eve, EMS, Police, and Fire responded to a call where a 60-year-old man died despite being given 10 milligrams of Narcan.

Chair Manwaring asked if people need to go to the hospital for breathing problems and heart problems. Chief Howard replied that they need to go to the hospital for supportive measures, which could be anything from being given life support to staying a couple hours and being released.

Councilor Filiault asked if much of the need for increased doses of Narcan is based on substances such as Fentanyl being cut into the heroin. Chief Howard replied that Fentanyl strengthens the heroin, but his concern is that they do not know exactly what is in what people are taking. Tomorrow it could be rat poison or cocaine. He continued that they have recently seen cases where paramedics turn around a person's respiratory drive but then their heart rates speeds up. Heroin does not cause that. Hypoxia could, or an overdose on cocaine. At least once, the paramedic in the field called the hospital because he was seeing an experience in the patient he had not seen before. The doctor's reply was, "I don't know. Get them in here; let's figure it out." It is a tough feeling for paramedics who think they have the tools and knowledge, to find out it is different because it is such a dynamic process.

Captain Russo stated that it is different from responding to a suicide attempt or accidental overdose, seeing a marked pill bottle next to a person's bed, and counting them out to get an idea of what the person took. This is like finding a very large, unmarked pill bottle and having no idea. Chief Howard replied that they normally do not know what a person took, unless it is a death and they get an autopsy report. Captain Russo added that they have the lab do an analysis if they find any residue.

Councilor O'Connor asked if HB 1619 is in committee and if they can add this other language to it. The City Clerk replied that it depends on where it is in the process. She continued that staff seeks the MSFI Committee's endorsement to influence this in any way that they can. Chair Manwaring asked if she is seeking their support for staff to support this bill with the addition of not just being limited to Hillsborough County. The City Clerk replied yes, with an amendment to expand it statewide.

Councilor Filiault made the following motion, which was seconded by Councilor O'Connor.

On a vote of 5-0, the Municipal Services, Facilities, and Infrastructure Committee recommends the City Council endorse City of Keene staff support of NH HB 1619 with an amendment to expand it statewide.

3A2

City of Keene
NEW HAMPSHIRE

March 9, 2016

TO: Mayor and City Council

FROM: Planning, Licenses and Development Committee

SUBJECT: **MORE TIME REPORT: Danielle Baudrand – Suggested Ban on Single use Plastic Bags**

On a vote of 5-0, the Planning, Licenses and Development Committee recommends that Ms. Baudrand's letter regarding the banning of single use plastic bags be accepted as informational.

David Richards HLC
Chairman/Designee

Background:

Danielle Baudrand, 19 Bridge Court was present. Chair Richards reported that SB-410 failed in the Senate; and therefore the Council cannot write a letter favoring this initiative. Chair Richards advised the communication from Ms. Baudrand would be accepted as informational.

Chair Richards asked for Committee comments.

Councilor Sutherland noted he was not present at the last meeting, but did read the arguments. With this in mind he commented perhaps the City could review its litter laws and associated fines.

Councilor Jones commented he had previously pointed out some of the challenges that would accompany this issue, and he was in favor of supporting Ms. Baudrand's initiative though he was hopeful for a State-wide ban. He noted Hawaii is the only State with a ban on plastic bags; in addition he noted Austin, Texas put a ban in place two years ago and they are now reversing the ban. Councilor Jones suggested perhaps the City could do more to expand its recycling program; such as making the Recycling Center more convenient and user friendly and accepting more products. Councilor Jones suggested there are things the City can do to help her cause; he reiterated at this time they are unable to recommend the ban. Councilor Jones also recommended contacting the Cities for Climate Protection Committee as a starting point.

Councilor Chadbourne reported she and former Councilor Emily Hague had previously addressed this issue. She noted Councilor Hague and Bridgett Hansel had been working on a proposal to bring forward. Councilor Chadbourne recommended Ms. Baudrand contact Ms. Hansel for an update. Councilor Chadbourne also noted she agreed with some of Councilor Jones' comments. In the meantime Councilor Chadbourne pointed out at least some of the local grocery stores do recycle the plastic bags.

Councilor Clark addressed the City's recycling policy and noted they are able to recycle high density polyethylene; but the problem is they don't have the storage space to store the bags until there was a sufficient quantity to recycle. Currently the plastic bags to into the landfill. On a different note, Councilor Clark suggested what the Legislature did in defeating SB 401 was unbelievable. He pointed out Keene imposed a smoking ban and the State followed suit. Councilor Clark continued what Ms. Baudrand brought forward is the right thing to do. He pointed out all the products that are killing the world; suggesting the City take whatever small steps they can. Councilor Clark continued that he was disappointed the Committee is falling in line with industry standards. Councilor Clark said he thinks the City needs to write a letter telling the State this is the wrong thing to do. He also raised the issue of Home Rule and the State not giving local governments the authority to do the right thing. Councilor Clark suggested the City Council needs to at least give the State the message that they would like to have the authority to do the right thing on the local level.

Chair Richards asked for public comments.

Mya Baudrand, of 19 Bridge Court asked why can't they just ban plastic bags here. Chair Richards explained that currently State law tells local government what they can and can't do; and this is one of the things they are saying local government can't enact laws on.

There being no further questions or comments from the Committee or public, Chair Richards asked for a motion.

Councilor Hansel made the following motion which was seconded by Councilor Jones.

On a vote of 5-0, the Planning, Licenses and Development Committee recommends that Ms. Baudrand's letter regarding the banning of single use plastic bags be accepted as informational.

3A3

City of Keene
NEW HAMPSHIRE

March 9, 2016

TO: Mayor and City Council

FROM: Planning, Licenses and Development Committee

SUBJECT: **MEMORANDUM: Planner – Red Devil's Soccer Club – Request to Use City Property – Spring Street**

On a vote of 5-0, the Planning, Licenses and Development Committee recommends the City Council approve the request from the Red Devils Soccer Club Inc. to pass and repass City property at 41 Spring Street for a period from the date of issuance to December 1, 2016, subject to the signing of a revocable license and indemnification agreement and receipt of a certificate of liability insurance in the amount of $1,000,000 with the City of Keene listed as an additional insured, and subject to any recommendations of City staff, and that City Council approve the request to use parking spaces in the City-owned lot at 41 Spring Street subject to the approval of staff.

David C Richards
Chairman/Designee HLf

Background:

Attorney J.R. Davis, of 28 Middle Street was present with the applicant. Attorney Davis advised his client can provide a copy of their liability insurance; this is in response to a question raised at the previous meeting. Chair Richards referred to the recommended motion and asked the City Manager if the Committee can assume all issues have been worked out.

The City Manager commented there are two issues before the Committee. The first issue is related to the ability to cross and re-cross City property, the secondary issue is related to parking, which will take a little more conversation. The first issue can be handled easily with a license and staff is hoping Council will give them the authority to move forward with the second issue. Noting the original letter wasn't very clear; the City Manager explained the applicant's desire to use the City parking lot as well as the crossing of the lot at no cost. Mr. Kopczynski reported the good news is the lot is used primarily by City employees during the day. It will be necessary that staff determine more specifics on the use of the parking lot to ensure that this intended use is not in conflict with the staff's needs. Perhaps the biggest conflict is with the Fire Department that uses that lot for training purposes. Continuing his comments, the City Manager noted on the face of it this doesn't seem impossible by any means; it will just take a little work and negotiating.

Chair Richards clarified the motion before the committee is giving the applicant the right to pass and repass. The City Manager replied in the affirmative.

Chair Richards asked for Committee questions/comments.

Councilor Jones referred to the prepared motion and the reference to "more time" as it related to the use of the parking lot. He suggested changing this to "subject to staff approval" so the applicant doesn't have to come before the Committee again. The City Manager supported this suggestion. Councilor Hansel agreed with Councilor Jones' suggestion; adding there's no reason to hold the applicant up when he's trying to start a business.

There being no further questions or comments from the Committee or members of the public Chair Richards asked for a motion.

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

On a vote of 5-0, the Planning, Licenses and Development Committee recommends the City Council approve the request from the Red Devils Soccer Club Inc. to pass and repass City property at 41 Spring Street for a period from the date of issuance to December 1, 2016, subject to the signing of a revocable license and indemnification agreement and receipt of a certificate of liability insurance in the amount of $1,000,000 with the City of Keene listed as an additional insured, and subject to any recommendations of City staff, and that City Council approve the request to use parking spaces in the City-owned lot at 41 Spring Street subject to the approval of staff.

3A4

City of Keene
NEW HAMPSHIRE

March 9, 2016

TO: Mayor and City Council

FROM: Planning, Licenses and Development Committee

SUBJECT: **COMMUNICATION: Susan Parke Sutherland/Farmer's Market of Keene - Request to Use City Property – Gilbo Avenue and Commercial Street Parking Lot**

On a vote of 5-0, the Planning, Licenses and Development Committee recommends that the Farmer's Market of Keene be granted permission to use 22 parking spaces along Gilbo Avenue as well as 20 spaces on the other side of the median strip in the Commercial Street Parking Lot on Tuesdays and Saturdays from May 1, 2016 to October 31, 2016. In addition, the petitioner is granted use of the median area for placement of picnic tables with the understanding that the pedestrian path may not be obstructed. Said permission is granted subject to the following conditions: compliance with the customary licensing requirements of the City Council; the receipt of a total rental fee of $1,200.00 (payable on the first day of every month at $200.00 per month); obtainment of a city food license from the Health Department; and compliance with any recommendations of City staff. Access to City electrical shall also be provided at a fee of $60.00 for the season. It is further recommended that the Farmer's Market of Keene be allowed to erect sandwich board signs on City property prior to the start of sales, subject to review and approval by City staff with respect to the number and location. The signs must be removed immediately after the sales have concluded.

David C Richards tcf
Chairman/Designee

Background:

Chair Richards noted the applicant was not present. The City Manager advised others were here to address the discussions that have taken place with the applicant; Ginger Hill, Parking Services Manager and Steve Russo, Captain Keene Police Department.

Ms. Hill reported she has had email communications with the applicant. Last year because the Farmer's Market was displaced from the Commercial Street Parking Lot they used 22 spaces along Gilbo Avenue. This year they want to use the same 22 spaces on Gilbo Avenue and 20 spaces at the Commercial Street lot; in addition to placing picnic tables in the greenspace.

Chair Richards inquired whether this use would block the bike path; Captain Russo noted the bike path wouldn't be blocked and reported one of the requirements is there has to be continued access for the pedestrian pathway. Noting he had not seen any actual sketches Captain Russo explained they want to put the picnic tables in the greenspace that separates the bike path from the actual parking spaces. Continuing, Chair Richards asked if they were expanding the number of participating vendors. Ms. Hill noted in the past they have had 50 spaces; they downsized last year due to being displaced, and this year they are asking for 42 total spaces. Ms. Hill also pointed out the spaces won't include the handicap space next to the bus stop. In response to Chair Richards, Captain Russo verified the spaces on Gilbo Avenue were the same location as last year with the addition of the parking lot side.

Chair Richards asked for questions/comments from the Committee.

Councilor Sutherland mentioned the CIP project to redo the parking lot across the street, and asked when this work would be initiated. Kurt Blomquist reported the work is scheduled for FY17 and will probably happen in the spring of 2017. Councilor Sutherland also asked if the Fall Festival will conflict with this. The City Manager reported all licenses have codicils in them regarding Special Community Events, which suspends the license for these types of events. Chair Richards added the Fall Festival will be much smaller than the Pumpkin Festival.

Councilor Hansel asked if they were splitting the Farmer's Market so that it was on both sides of the road. Ms. Hill replied in the negative and explained the proposed site to be used. The City Manager also noted the area used last year was more amenable to the Farmer's Market than the previous space used. Additionally, the parking lot won't be blocked like it used to be; this has worked better for everyone.

Councilor Sutherland noted the electricity put in the Commercial lot and asked whether there would there be any issues for things such as the charging stations. Ms. Hill reported the Farmer's Market would not cause any encumbrances.

Chair Richards asked for questions or comments from the public.

Councilor Jacobs noted the Farmer's Market was not charged rent last year due to the displacement; he asked if they would be charged rent this year. Chair Richards explained the prepared motion makes it clear the rent is $200/month.

There being no further questions or comments from the Committee or public, Chair Richards asked for a motion.

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

On a vote of 5-0, the Planning, Licenses and Development Committee recommends that the Farmer's Market of Keene be granted permission to use 22 parking spaces along Gilbo Avenue as well as 20 spaces on the other side of the median strip in the Commercial Street Parking Lot on Tuesdays and Saturdays from May 1, 2016 to October 31, 2016. In addition, the petitioner is granted use of the median area for placement of picnic tables with the understanding that the pedestrian path may not be obstructed. Said permission is granted subject to the following conditions: compliance with the customary licensing requirements of the City Council; the receipt of a total rental fee of $1,200.00 (payable on the first day of every month at $200.00 per month); obtainment of a city food license from the Health Department; and compliance with any recommendations of City staff. Access to City electrical shall also be provided at a fee of $60.00 for the season. It is further recommended that the Farmer's Market of Keene be allowed to erect sandwich board signs on City property prior to the start of sales, subject to review and approval by City staff with respect to the number and location. The signs must be removed immediately after the sales have concluded.

3A5

City of Keene
NEW HAMPSHIRE

March 9, 2016

TO: Mayor and City Council

FROM: Planning, Licenses and Development Committee

SUBJECT: **COMMUNICATION: Tim Zinn – Disruptive Behavior of Large Gatherings of Students**

On a vote of 5-0, the Planning, Licenses and Development Committee recommends the communication regarding disorderly behavior be handled administratively with a report back on the research in April.

David C. Richards HKF
Chairman/Designee

Background:

Tim Zinn, of 43 Grove Street- referenced his letter noting his personal background as a parent utilizing "tough love" practices. Mr. Zinn asked if the Committee members had watched the video (link shared in his letter) commenting it goes to the heart of what he is talking about. Mr. Zinn pointed out there have been good signs from Keene State College students this year; even though it wasn't very good in his neighborhood the first couple of months, things did get better. Mr. Zinn noted his concern that the City is still vulnerable to future riots. He feels the City has a role to play and a responsibility in a culture change with KSC. Mr. Zinn sees this proposal as the right tool for this specific job. Continuing his comments Mr. Zinn noted the positive efforts put forth by KSC and the City with regards to off-campus housing. Referring to the video Mr. Zinn said he had four questions.

1. Are parties of this size acceptable given past history?

2. Should any citizen of Keene be subject to neighbors and parties of this nature?
3. Is the City okay with this image of the College and our City being posted on social media for the entire world to see?
4. Is it safer for all concerned if these parties are not allowed to reach a critical mass with a potential for something tragic to happen goes up exponentially?

Mr. Zinn concluded noting he is a Pumpkin Festival supporter and would like to be a part of any future event planning and developing solutions. Chair Richards recommended hearing from some of the people who have worked on these things; he asked to hear from the Keene Police Department first.

Captain Steve Stewart thanked Mr. Zinn for his letter noting he certainly appreciates his frustration and concern. Captain Stewart also commented he is glad to see Mr. Zinn is optimistic about the culture change and has noticed some of the same things that the Department has witnessed. Captain Stewart noted the Police Department, the Fire Department and Code Enforcement have a long-standing relationship with KSC in dealing with quality of life and life safety issues. Captain Stewart shared efforts that have taken place between the various organizations noting the decrease in noise complaints and alcohol arrests in 2015 from the previous nine years. Concluding his comments, Captain Stewart said they believe they have the right tools, partnerships, and strategies in place to help improve quality of life and life safety issues within the City while still staying within the bounds of their Department's Mission Statement.

Chair Richards commented it seems like they are going in the right direction. He addressed the Snow and Ice Festival mentioned by Mr. Zinn and noted this is a Community Event that requires plenty of planning. He added the parties that Mr. Zinn is referring to are not preplanned and there is no way to know when these parties are coming.

Chair Richards asked if there were any questions for Captain Stewart.

Councilor Hansel asked if the recent changes to the Noise Ordinance was a contributing factor or were there any other things that could help in the enforcement of keeping parties in control. Captain Stewart suggested the jury is still out on the effectiveness of the Ordinance changes.

Councilor Jones asked if FinnaRage was still involved or still in existence. Captain Stewart replied they do still exist, but to his knowledge have not made another appearance in Keene.

Both Chair Richards and Mr. Zinn asked questions regarding what the Police Department at what point and how does the Police Department break up these large parties when they arrive on the scene. Captain Stewart commented by the time the party gets to this size the host is willing to issue a "get out" order. The Fire Code refers to a large party as 100 people at a place of assembly, but typically the complaint also refers to a noise ordinance or under aged drinking. The Department has all the tools already; it's just a question of whether they are able to use the tools in every instance.

Chair Richards recognized Robin Picard the Keene State College Liaison.

Ms. Picard, Coordinator of Student and Community Relations thanked everyone noting she feels the issues are always worth keeping on the table and discussing. Ms. Picard commented there are measures in place now and they are seeing positive results. She agreed the large parties are not about planning and how to stop them; but what they can do when they're happening. Ms. Picard suggested exploring some issues with the landlords that would have landlords requiring certain measures that would hold them accountable for the large parties. She also suggested a Zoning Ordinance be introduced that would only allow for smaller gathering of 50 people not 100 in the immediate vicinity of the College. Ms. Picard noted she appreciates the neighborhood groups and the College/City Commission working with Code Enforcement.

Councilor Hansel asked Ms. Picard if there was anything on-campus that could be adopted/enforced off-campus. Ms. Picard reported on-campus parties are registered with guidelines, rules, and monitoring. Fraternities and sororities have recently begun registering even off-campus parties. She continued they legally cannot do this for off-campus parties. Off-campus students do call the KSC Police Liaison to give him a heads-up if they're having a party, and they know they can call him if the party is getting out of control. The college is trying to get students to communicate with them ahead of time and do the right thing. If charges are fines are levied against a student in the community they are also held accountable by the College. The College does reprimand students displaying dangerous behavior.

Discussion continued and Chair Richards asked Mr. Zinn when the video was recorded. Mr. Zinn replied last year.

Chair Richards recognized Chief Mark Howard, of the Keene Fire Department.

Chief Howard recognized the people involved noting there has been an extensive collaboration over the last three to four years. Chief Howard noted the Fire Department is driven by Enforcement Codes and Life Safety Codes and the key thing they look is the place of assembly which dictates the type of occupancy and the number of people. From a life safety code, the occupancy is either 50 or 100, which, while this is left for interpretation, in the past the occupancy has been determined as 100. Chief Howard cited different scenarios and the actions that would be taken including notifying the landlord.

There being no questions for Chief Howard, Chair Richards recognized John Rogers, Acting Health Officer.

Mr. Rogers noted communication between departments continues to evolve especially since the Pumpkin Festival. He reported the College/City Committee has met regularly this year. Mr. Rogers reported his department follows the Police Logs to follow-up on property condition issues and then communicates with the landlord so they can't say they didn't know. Mr. Rogers commented he is encouraged by what he's seeing and feels they are heading in the right direction.

Discussions continued with Councilor Sutherland commenting it seems these issues are not specific to Keene, and it sounds like everyone is moving in the right direction.

Additional discussions continued on issues such as the 911 system and who responds, the Fire Code language relative to large gatherings, weddings/family reunions compared to large parties around the College area, and if an Ordinance can affect certain areas of the City similar to the Noise Ordinance.

The City Manager provided background information on additional things the City has done; noting the student housing industry is an unregulated industry. The taxpayers and the College have been addressing the problems created by this unregulated industry. The City Manager also noted the City's efforts to redirect where student housing is located, adding what also has to take place is a redevelopment effort and taking steps to put people back in the housing once rented to students.

After additional comments Councilor Hansel suggested Mr. Zinn contact the Mayor's office regarding any Committee vacancies as he has a valuable perspective to share.

Chair Richards commented it looks like all these entities are regrouping with new people and positive affects; he noted past difficulties rewriting Ordinances in addition to the Fire Chief's comments that they are looking at things right now. Chair Richards suggested the Committee allow staff to continue the discussions with a report back to the Committee regarding their progress.

The City Manager commented there are things that could be changed to tighten up the Ordinance and Fire Code; those things do not cut finely, they cut broadly. He noted there will be findings coming out of the Marlboro Street Study that will address future development. Regarding regulating parties, the City Manager will ask the Police and Fire Departments to discuss this with the City Attorney and bring something back to the Committee. Chair Richards agreed with the City Manager's suggestion, noting as this is already being worked on he feels this could be handled administratively with a report back in a reasonable timeline.

Chief Howard mentioned the North Hampton Large Gathering Ordinance which is above and beyond the Fire Code is currently being reviewed by staff. This would be another tool for the Police Department. Chief Howard agreed to come back and report on this in the near future. Chair Richards requested the City Clerk notify Mr. Zinn when this issue does come back and that Mr. Zinn's name be forwarded to the Mayor for service on appropriate Committee's when there is a vacancy.

Chair Richards agreed with Ms. Picard that future discussions should consider whether we can change the large gathering number from 100 people to 50 people. Ms. Picard suggested the College would find this change a positive thing.

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Captain Stewart asked for verification on specifically what is being asked to be brought back. Chair Richards noted the Fire Chief will work with Captain Stewart to look at what rules are in place, who enforces the rules and could they be changed in a sensible way. In addition, the North Hampton large gathering ordinance should be reviewed.

Dave Curran, of 16 Prescott Street noted this was discussed last night at the Southeast Keene Neighborhood Group's meeting. Mr. Curran asked how the Police handle dispersing 200-300 people at a party. Captain Stewart replied the Department asks them to leave and watch them go. There is not any type of controlled release. Mr. Curran asked if when these discussions are taking place if thought could be given to controlled release. Mr. Curran also noted he wrote a letter to the Board of Trustee's for Colleges suggesting such a letter would have more attention if it came from the Mayor and City Council. Mr. Curran noted he believes communicating directly with the Board of Trustee's would be a good tool to use down the road.

Councilor Jones addressed Mr. Zinn's third question noting they have no control over what goes over the Internet. He also responded to a comment by Councilor Sutherland noting that years ago he and Mr. Kopczynski attended a meeting where they learned other college communities were following Keene's lead. Those communities with campuses in town were more problematic.

Captain Stewart pointed out other problematic issues that should be considered during the upcoming discussions, specifically the issue of backyards without fencing which allows the "meshing" of backyards on Winchester Court and Wilson Street.

Discussion ensued regarding whether this should come back to the Committee in two cycles. The City Manager made note of upcoming Budget hearings. Chair Richards suggested the motion just state April. In response to Councilor Jones, the City Manager indicated staff would be coming back with just the results of their research.

There being no further questions or comments from the public or Committee, Chair Richards asked for a motion.

Councilor Sutherland made the following motion which was seconded by Chair Richards.

On a vote of 5-0, the Planning, Licenses and Development Committee recommends the communication regarding disorderly behavior be handled administratively with a report back on the research in April.

3A6

City of Keene
NEW HAMPSHIRE

March 9, 2016

TO: Mayor and City Council

FROM: Planning, Licenses and Development Committee

SUBJECT: **COMMUNICATION: Councilor Richards – Marlboro Street Rezoning and Eastside of the City's Revitalization**

On a vote of 5-0, the Planning, Licenses and Development Committee recommends the City Council direct staff to begin looking at neighborhood wide solutions for development and redevelopment in Ward 1 and Ward 2.

David C Richards
Chairman/Designee

Background:

Chair Richards addressed his letter dated 03/01/2016 noting he is looking for a timeline and Council approval for the concept on the Marlboro Street rezoning and eastside revitalization.

Chair Richards continued this goes hand-in-hand with the discussion the Committee just had with respect to student housing and disorderly behavior. He continued his letter focuses on the east side of the City where the City hasn't invested a lot of money or effort in. For years there were factories, there was workforce housing from Beaver Street to Baker Street; these were thriving, walkable neighborhoods. Manufacturing left the area and rentals became the norm; neighborhoods deteriorated which resulted in devaluation of property values, and additional costs to the City.

Currently Keene State College is building private dorms thereby removing many students from these neighborhoods. Removing students and trying to bring families back to these neighborhoods is the right answer. The Marlboro Street rezoning will be coming before the Joint Committee in April which is one of the catalysts to get things moving. Marlboro Street has been added to the CIP, but no money has been allocated to fund it. Chair Richards addressed two other areas that were rezoned or where money was spent (Gilbo Avenue and the south side of Ward 3) pointing out what worked and what didn't. He asked what we need to do to get the east side back to what it needs to be, and reviewed the recommendations outlined in his letter.

• Choose reasonable target dates to complete renovation for Marlboro Street and any other streets needing improvement in the corridor.
• Request staff review the CIP for any funds that could be redirected to the streets in need on the eastside of the city
• Begin the process of obtaining grants for redesign and reconstruction of Marlboro Street. There are currently interesting grant options that staff is aware of and should be directed to pursue.
• As part of potential grant funding a "Victoria Street connector" should be of primary concern as the eastside of the City is essentially divided like no other part of the city, causing a loss of neighborhood and business connections.
• Have the Planning Department take the lead in the redesign of streets with the intention of following the City Masterplan recommendations for other than engineering considerations.

Concluding his comments Chair Richards noted he would like to see City Council approve this concept. He would like to see a timeline and a matrix that says they have deadlines, and they're going to report back on each one of the aspects. Chair Richards reiterated he would like to see a full Council vote at least on this theory.

Chair Richards asked for questions or comments from Committee members.

Councilor Sutherland commented they are fiscally constrained in the City; adding there is over 2 million square feet of empty commercial space in Keene. Continuing his comments he asked Chair Richards if he is looking for the City to sit down and set priorities for just this one area of town, where does this fit in our prioritization, and what is the action item you're looking for from the City Council. Chair Richards addressed the empty commercial space noting this as a downside of the economy; adding they need to go out and bring people here. He continued he's not saying we stand still or raise the CIP budget, he is saying we refocus these efforts.

Councilor Hansel commented he thinks this is a good idea; adding his thought process has been similar. He would like to see the City refocus the investments they're making to increase our tax base; the question is how to facilitate this. Councilor Hansel suggested this is a well-timed inquiry by the Chair, and noted his support of this initiative.

In defense of the Gilbo Avenue Overlay, Councilor Jones suggested once a parking plan is established they will see Gilbo Avenue come to fruition. He also agrees with what Chair Richards has said. He also suggested expanding the TIF District and New Market Credits as ways to help.

Chair Richards asked for questions or comments from the public.

Dave Curran, of 16 Prescott Street commended Chair Richards for his proposal. He agreed the City needs to make the investment; and take the huge leap of faith.

Councilor Carl Jacobs noted this type of thinking benefits the whole City.

Tim Zinn, of 43 Grove Street agreed more changes are coming in the rental market with the College building dorms; he added more investment makes sense.

Councilor Sutherland thanked Chair Richards for clarifying his letter; he also noted the concerns for greenspace and flooding in that neighborhood.

The City Manager recommended including Code Enforcement and the Police Department when these discussions relating to flooding and parking are discussed.

Chair Richards agreed the flooding issue has to be part of the discussions around that part of the town. He reiterated all he is looking for tonight is an approval of the theory, he wants this to come back to the Committee, and then start building the case.

Kurt Blomquist, Public Works Director noted that throughout the committee's discussion he has been trying to formulate the products Council will want to see coming out of those meetings.

Councilor Hansel referred to the various information he would seeking from staff and asked if there are other utilities that are not currently where they need to be for us to do this. Chair Richards suggested they could include this to say where the existing infrastructure is.

There being no further questions or comments from the public or Committee, Chair Richards asked for a motion.

Councilor Jones made the following motion which was seconded by Chair Richards.

On a vote of 5-0, the Planning, Licenses and Development Committee recommends the City Council direct staff to begin looking at neighborhood wide solutions for development and redevelopment in Ward 1 and Ward 2.

In response to the City Manager Chair Richards noted he would like to see this on a future Committee agenda for the Committee to talk about the infrastructure, drainage, and what's the best way to attack it. Continuing, Chair Richards suggested this would set the matrix for the timeline.

3A7

City of Keene
NEW HAMPSHIRE

March 9, 2016

TO: Mayor and City Council

FROM: Planning, Licenses and Development Committee

SUBJECT: **MEMORANDUM: City Clerk – Significant Items of Legislation**

On a vote of 3-2, the Planning, Licenses and Development Committee recommends the City Council supports the staff's position on these legislative Bills. The motion carried with Councilor's Hansel and Sutherland voting in opposition.

David C Richards TMF
Chairman/Designee

Background:

The City Clerk gave the opening comments noting this is a process started in 1994 under

Mayor Bill Lynch. A City Council policy adopted in 2009 requires staff to bring before the Committees significant items of legislation annually. She explained the criteria utilized for designating significant items of legislation to bring before the Committees.

HB 1180- An Act relative to the authority of towns to issue bonds for the expansion of Internet Service was explained by Rebecca Landry, IT Director. At her conclusion Ms. Landry noted the full House is expected to vote on March 9 with a majority committee recommendation of Inexpedient to Legislate and a minority committee recommendation of Ought to Pass. Staff recommends supporting HB 1180.

In response to Councilor Hansel the City Clerk reported this Bill is due for action today. Councilor Hansel also asked if there is a time limit on us writing the letter. Ms. Landry reported she did provide an email to Legislative Committee and the City Council. The City Clerk advised if the Bill is still alive tomorrow the letter will be initiated. If the Bill is voted down a letter from the City Council would not be prepared.

Ms. Landry provided an explanation of bonding for a broadband infrastructure project in response to Councilor Sutherland; she also noted this would provide a tool for the City's tool chest.

Councilor Jones asked if the Rural Development Funds were still available to other communities; this was asked in regards to previous efforts to bring broadband to Keene that failed. Ms. Landry explained this is often available as a low-interest loan but not to the extent needed to bring a full fiber network to the residential home doorstep.

Councilor Hansel asked if there were any issues in tabling this instead of sending it to Council until we know whether or not the Bill passes. Even though the outcome is unknown the City Clerk recommended going forward with the recommendation to support.

HB 1417- An Act relative to records of convening of public bodies. The City Clerk reported this being recommended on behalf of the City Attorney. She noted this deals with meeting minutes and provided an explanation for the Committee. The full House is expected to vote on March 9 with a majority recommendation of Inexpedient of Legislate and a minority recommendation for Ought to Pass with an amendment. The amendment removes an inadvertent reference to "persons in attendance." The staff recommendation was to oppose the legislation.

Councilor Sutherland asked for an explanation of the intent of this Bill. The City Clerk replied transparency; they wanted a record of the discussions even when the body is not in a public meeting as defined under RSA 91-A.

There being no further questions or comments from the public or Committee Chair Richards asked for a motion.

Councilor Hansel made the following motion which was seconded by Chair Richards.

On a vote of 3-2, the Planning, Licenses and Development Committee recommends the City Council supports the staff's position on these legislative Bills. The motion carried with Councilor's Hansel and Sutherland voting in opposition.

3A8

City of Keene
NEW HAMPSHIRE

March 10, 2016

TO: Mayor and City Council

FROM: Finance, Organization and Personnel Committee

SUBJECT: **MEMORANDUM: Police Department Lieutenant - Acceptance of Donation - Crossing Guard at Fuller School**

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept a donation from the SAU 29 School District to cover 100% of the cost of a Crossing Guard at Fuller School for the rest of the school year.

Chairman/Designee

Background:

Lt. Todd Lawrence stated Fuller School is the only elementary school that doesn't have a crossing guard and the city was not able to accommodate a crossing guard due to funding constraints. The school district has decided to fund this position at 100% of the costs covered by them through the end of the school year of June 2016.

Councilor Kahn asked how the other crossing guards are paid. Lt. Lawrence stated there is a line item in the Police Department's budget which covers this cost and at the end of the school year the school district is billed for ½ of this cost.

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept a donation from the SAU 29 School District to cover 100% of the cost of a Crossing Guard at Fuller School for the rest of the school year.

3A9

City of Keene
NEW HAMPSHIRE

March 10, 2016

TO: Mayor and City Council

FROM: Finance, Organization and Personnel Committee

SUBJECT: **MEMORANDUM: Police Department Lieutenant - NH Highway Safety Agency - S.T.E.P. Grant Project**

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept a grant from the New Hampshire Highway Safety Agency to fund the Sustained Traffic Enforcement Patrol (S.T.E.P.) campaign.

Chairman/Designee

Background:

Lt. Lawrence explained the purpose of the S.T.E.P. Grant is to address certain motor vehicle infractions, such as seat belt use, distracted driving, speed enforcement, red light enforcement and school bus enforcement. This is a coordinated state effort from the period of October 2015 to September 2016 for a four-hour one officer patrol. The cost of this operation will be $9,598.50.

Councilor Clark asked the lieutenant to provide the committee with a report from last year's enforcement operation.

Councilor Powers felt the Committee did not need to be provided with the entire grant package. Councilor Kahn felt the budget information is of value but the compliance rules is not something he needs to see.

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept a grant from the New Hampshire Highway Safety Agency to fund the Sustained Traffic Enforcement Patrol (S.T.E.P.) campaign.

3A 10

City of Keene
NEW HAMPSHIRE

March 10, 2016

TO: Mayor and City Council

FROM: Finance, Organization and Personnel Committee

SUBJECT: **MEMORANDUM: Police Department Captain - Acceptance of Monetary Donation - Police Fund**

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to all things necessary to accept a donation of $100 from Jane Gobeil, a resident of Antrim, NH for use by the Keene Police Department.

Chairman/Designee

Background:

Lt. Lawrence stated on February 16th the Department received a $100 money order from Jane Gobeil with a note which read "*This is a donation for your policeman's fund in appreciation for your service to me*"

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to all things necessary to accept a donation of $100 from Jane Gobeil, a resident of Antrim, NH for use by the Keene Police Department.

3A11

City of Keene
NEW HAMPSHIRE

March 10, 2016

TO: Mayor and City Council

FROM: Finance, Organization and Personnel Committee

SUBJECT: **MEMORANDUM: Recreation Programmer - Acceptance of Donation - MLK/JD Annual Programming**

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept a donation of $750.00 from the St. James Thrift Shop and that the money is used by the City's Martin Luther King Jr./Jonathan Daniels Committee for its annual programming.

Chairman/Designee

Background:

Chair Greenwald addressed this item on behalf of the Recreation Programmer. He stated the St. James Episcopal Church Thrift Shop has made an annual donation towards the programming effort of the Martin Luther King Jr./Jonathan Daniels Committee. This donation is for $750.

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept a donation of $750.00 from the St. James Thrift Shop and that the money is used by the City's Martin Luther King Jr./Jonathan Daniels Committee for its annual programming.

3A12

City of Keene
NEW HAMPSHIRE

March 10, 2016

TO: Mayor and City Council

FROM: Finance, Organization and Personnel Committee

SUBJECT: **MEMORANDUM: Parks, Recreation and Facilities Director Acceptance of Donation - Keene Recreation Center**

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept the donation of $300.00 from the Monadnock Squares and that the money is used for any improvements needed at the Keene Recreation Center.

Chairman/Designee

Background:

Chair Greenwald stated this donation is for $300 from Monadnock Squares for improvements at the Recreation Center.

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept the donation of $300.00 from the Monadnock Squares and that the money is used for any improvements needed at the Keene Recreation Center.

3A13

City of Keene
NEW HAMPSHIRE

March 10, 2016

TO: Mayor and City Council

FROM: Finance, Organization and Personnel Committee

SUBJECT: **MEMORANDUM: Keene Public Library Board of Trustees - Acceptance of Donation of $4,000 to Fund City Internship**

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the City Manager be authorized to do all things necessary to accept a donation in the amount of $4,000 from the Keene Public Library Board of Trustees to fund an Internship for the purposes of building a model of the Library Project.

Chairman/Designee

Background:

Kathleen Packard of 19 Terrace Street who is the President of the Keene Public Library Board of Trustees addressed the Committee and stated under the guidance of retired engineer George Scott, an intern will build a model of the library project to be used in fundraising efforts and allow the public to be part of the project.. Ms. Packard stated Mr. Scott has made models of the YMCA and Keene Ice to be used for their fundraising efforts. He will serve without compensation. This is an opportunity for an architectural student to gain some valuable learning skills. Ms. Packard stated they have met with Keene State faculty who has recommended a qualified student for this work. The model will be built on Keene State premises using their wood shops and architectural studios and the plan is to have this model ready by May or June.

Chair Greenwald clarified the $4,000 is the money used to cover the expenses for the intern and supplies required to construct the model. Mr. Scott stated he will be providing the supplies. Chair Greenwald thanked Mr. Scott for his time and effort.

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the City Manager be authorized to do all things necessary to accept a donation in the amount of $4,000 from the Keene Public Library Board of Trustees to fund an Internship for the purposes of building a model of the Library Project.

3A14

City of Keene
NEW HAMPSHIRE

March 10, 2016

TO: Mayor and City Council

FROM: Finance, Organization and Personnel Committee

SUBJECT: **MEMORANDUM: Safe Routes to School Committee - School Safe Routes to School Travel Grant Applications**

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the City Manager be authorized to do all things necessary to accept and execute a "Non-Infrastructure" $7,338.00 grant from the New Hampshire Department of Transportation (NHDOT) to support the Safe Routes to School program at Symonds Elementary School.

Chairman/Designee

Background:

Planner Michele Chalice stated this is the last of the 100% reimbursed federal grant funds through this program. Ms. Chalice stated these funds will enable the city to provide some material support to Symonds School in their ongoing successful safe routes to school program. She noted this grant will be managed by the Southwest Regional Planning Commission which would save the city a lot of time.

Councilor Clark stated he appreciates the work being done for safe routes to school and stated during his recent walk for Jonathan Daniels he found it distressing why parents don't permit children to walk to school. He asked how we can convince parents to let their children walk to school. Beth Corwin, Physical Education Teacher at Symonds School, stated she has been part of this program for six years. She continued this is a constant struggle for them to change the attitude of parents. She stated six years into this program, she is happy to say there are 68.75% of students who are in the walk, ride and roll program. She noted the numbers are going up and with participation from other organizations such as Yankee Lanes who provide for parent drop off, Healthy Monadnock, and Keene State College they are making progress.

Ms. Chalice stated not only do the parents have to see success but at Symonds School it has been the effort of Ms. Corwin which has made this program be so successful. She noted a "point person" in a school is very necessary, someone who can start having the relationships with parents. She added someday the School Board will get on board with this program.

Councilor Jacobs asked what this grant will be used for. Ms. Chalice stated it would be used for non-infrastructure activities such as: education, enforcement and encouragement.

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the City Manager be authorized to do all things necessary to accept and execute a "Non-Infrastructure" $7,338.00 grant from the New Hampshire Department of Transportation (NHDOT) to support the Safe Routes to School program at Symonds Elementary School.

3A15

City of Keene
NEW HAMPSHIRE

March 10, 2016

TO: Mayor and City Council

FROM: Finance, Organization and Personnel Committee

SUBJECT: **RESOLUTION: Revenue Collector -Tax Deeds for Unpaid 2012 Property Taxes**

On a vote of 4-1, the Finance, Organization and Personnel Committee recommends to City Council to deed the following Properties below that are not considered a liability to the City:

270 Beaver Street
9 Martin Street
21 Allen Court
74 Sparrow Street
18 Blue Jay Court

It is further recommended that a 30 day waiver be granted to 15 Cross Street and 334 Roxbury Street.

Chairman/Designee

Background:

Revenue Collector Mary Alther stated there are seven properties remaining from last year for which she is asking deed waivers. She stated there were eleven properties on the list as of November. Two of these are manufactured homes, three are single-family homes of which one is not occupied, one other is working on a reverse mortgage.

Councilor Clark asked whether staff has had a conversation with all these individuals. Mr. Kopczynski stated staff does all it can before taking this step. In some cases these are vacant properties and asked the Revenue Collector to go over the process.

Ms. Alther explained last May there were 24 properties on the list for non-payment of taxes and she received Council approval for deed waivers so she could work with them. She stated she calls the mortgagees, makes appointments to meet with them, makes payment arrangements when possible, contacts Assessing to get them into some program if there are any available. She stressed it is not the intention of the city to take someone's home. She stated some of these properties can be complicated as it is part of an estate and there are a number of heirs who need to be contacted.

The Committee asked what happens when the city acquires a property located in a Mobile Home Park. Ms. Alther stated she recalls this happening one other time and the city might have entered into some sort of arrangement with the Park and didn't have to pay the park rent for a month and the city was able to dispose of the property in that timeframe.

Councilor Powers noted the properties before the Committee today are for back taxes from 2012. Ms. Alther agreed and added she will be back soon with properties from 2013.

Councilor Kahn asked which department would be responsible once the city acquires these properties. Mr. Kopczynski stated if the property was vacant the city would secure it, if there were people who did not belong, the city would have to vacate them but what is before the committee is the first step the city would need to take.

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

On a vote of 4-1, the Finance, Organization and Personnel Committee recommends to City Council to deed the following Properties below that are not considered a liability to the City:

270 Beaver Street
9 Martin Street
21 Allen Court
74 Sparrow Street
18 Blue Jay Court

It is further recommended that a 30 day waiver be granted to 15 Cross Street and 334 Roxbury Street. Councilor Clark voted in opposition.

Councilor Clark stated he will not be on record for taking anyone's property.

The Chair reiterated the city does all it can to work with property owners and this is the last resort.

3A16

City of Keene
NEW HAMPSHIRE

March 10, 2016

TO: Mayor and City Council

FROM: Finance, Organization and Personnel Committee

SUBJECT: **MEMORANDUM: Industrial Pretreatment Coordinator - Request to Solicit Donations to be used as prizes for City of Keene 4th Grade Water Science Fairs**

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to solicit and accept donations to be used as prizes for the Fourth Grade Water Science Fairs from local and regional businesses.

Chairman/Designee

Background:

Industrial Pretreatment Coordinator, Eric Swope stated he was before the Committee to seek authorization to solicit prizes for the 4th grade water science fairs. The Chair stated this is a great event.

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to solicit and accept donations to be used as prizes for the Fourth Grade Water Science Fairs from local and regional businesses.

3A17

City of Keene
NEW HAMPSHIRE

March 10, 2016

TO: Mayor and City Council

FROM: Finance, Organization and Personnel Committee

SUBJECT: **MEMORANDUM: Operations Manager - Contract for Phase 2 of an Inflow and Infiltration Evaluation of the City's Wastewater Collection System**

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the City Council authorize the City Manager to do all things necessary to execute a professional services contract with Hazen and Sawyer, Environmental Engineers (H&S) to perform Phase 2 of an Inflow and Infiltration (I/I) Evaluation of the City's Wastewater Collection System on the east side of the city for an amount not to exceed $48,750.

Chairman/Designee

Background:

Operations Manager, Aaron Costa stated that the city's waste water treatment plant is designed to treat six million gallons of wastewater each day with a peak flow at 12 million gallons. The average flow is about 3.5 million gallons and this system is made up of about 100 miles of pipe and about 20 miles of these pipes are approximately 80 years old. The pipes range in size from six inches to 24 inches.

Mr. Costa stated some of the recent storm events or a high snow event has produced high volumes of wastewater, three to four times the normal rate which could cause operational problems, violation of the discharge permit, increased electrical demand, and increase to staff time.

In 2013, through the request for qualifications process, staff selected Hazen and Sawyer Environmental Engineers to perform an Inflow and Infiltration (I/I) evaluation. The evaluation included the installation of flow and rainfall monitoring equipment and because of the rainfall which occurred during this period they were able to obtain some good results. What the study noted is most of the problem lies in the eastern portion of the city which is also the oldest part of the system. Hazen and Sawyer recommend further evaluation of the four sub-basins and because this contractor performed phase one of the study, staff feels they should be responsible for phase two as well. This project is funded through the CIP program.

Councilor Clark asked whether it was not necessary to obtain a second opinion. Mr. Costa stated in the report they identified areas which have a high rate of in-flow and infiltration and they have proved it with facts and data and the city was able to perform its own measurements to obtain this same data as well and stated there is not much to dispute.
Public Works Director, Kurt Blomquist added when a firm is selected to also do the phase two work the costs are looked at to see if they are in line and this contractor's cost seems to be reasonable. Councilor Powers stated he would usually ask the same question Councilor Clark asked but this contractor seems to be validating the same information the city already had. Councilor Jacobs noted this organization was chosen by an open bid process when they were first hired.

Councilor Kahn suggested adding the language *on the east side of the city* and stated the reason for this suggestion is because there are a number of projects proposed in the CIP for the east side of the city and calling this to the public's attention would be prudent.

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the City Council authorize the City Manager to do all things necessary to execute a professional services contract with Hazen and Sawyer, Environmental Engineers (H&S) to perform Phase 2 of an Inflow and Infiltration (I/I) Evaluation of the City's Wastewater Collection System on the east side of the city for an amount not to exceed $48,750.

3A18

City of Keene
NEW HAMPSHIRE

March 10, 2016

TO: Mayor and City Council

FROM: Finance, Organization and Personnel Committee

SUBJECT: **MEMORANDUM: City Clerk - Significant items of Legislation**

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends endorsing staff's position on the items of legislation in this report.

Chairman/Designee

Background:

City Clerk Patty Little stated this is the annual review of the significant items of Legislation. She explained this program was started by Mayor Lynch in 1994. Mayor Lynch was a member of the General Court and felt it was necessary for municipalities to be aware of what was happening in Concord.

Ms. Little stated staff being involved in this process provides for a sense of awareness and is something which is supported by the City Manager and is on their agenda for their weekly meetings. Ms. Little stated there is a webpage which has been created by the city to regularly monitor pieces of legislation for the different departments. She noted staff has received a lot of support from the Council as there are municipalities that don't permit staff to testify on behalf of their municipalities.

She further stated when a municipality is active in Concord it receives a sense of credibility with the Senators and Representatives, but there is a time when a political stand is required and this is when the Council is brought in and the items brought before Council are items referred to as "significant" in nature which means they have a budgetary impact, service delivery impact, and/or tied into the concept of the master plan (at the request of the Planning Director).

Ms. Little stated for this evening she has three pieces of legislation for the Committee's consideration. These Bills have been heard by the House last night.

HB 1696 - An Act requesting modification of the New Hampshire Health Protection Program

Mr. Kopczynski stated the House approved this Bill. He explained what HB 1696 would have done was to reauthorize the Medicare expansion program. He indicated through this program affordable healthcare and medication is provided to many of the city's Human Services clients. If the Bill did not pass this money would have come out of property taxes. Staff is in support of this Bill.

HB 1659 - An Act Relative to the Implementation of the Clean Power State Implementation Plan

Ms. Chalice stated staff is in opposition to this Bill and it has been deemed inexpedient to legislate. This Bill would have prohibited DES from developing a Clean Power Plant.

SB 333 - An Act Relative to Net Energy Metering

Ms. Chalice stated last year the Cities for Climate Protection Committee requested the Mayor to write a letter regarding the net metering cap. She stated there is a cap at this time which is a discouragement for many entities trying to develop solar energy projects. She noted this Bill has moved forward with amendments but there is still progress which needs to be made. Ms. Little noted this Bill will be moved forward to the House with a letter from the Council should the Council authorize same.

Councilor Clark asked for clarification about the letter which was already sent. Ms. Chalice explained the letter which was sent was about a different Bill. She indicated she would know the contents of the new letter in short order. Councilor Clark stated his position on this new letter would be the same as the prior one in that the cap is protecting utility profits and stifling growth of other alternative energy efforts. He stated he would like to see the cap removed as it is not appropriate. We are continuing with this folly that fossil fuels have anything to do with our future. Ms. Chalice stated that staff could do a review and come back before the Committee so this issue makes better sense. She noted the first letter sent by the Mayor requested the complete removal of the cap. She further stated what SB 333 also does is to require the Public Utilities Commission to consider how net metering would go in the future.

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends endorsing staff's position on the items of legislation in this report.

3A 19

City of Keene
NEW HAMPSHIRE

March 10, 2016

TO: Mayor and City Council

FROM: Finance, Organization and Personnel Committee

SUBJECT: **DISCUSSION: Capital Improvement Program 2016-2022**

On a vote of 4-1, the Finance, Organization and Personnel Committee recommends to the City Council that on page 56, $28,390 slated for the Robin Hood Park tennis courts be moved from FY18 to FY17. Councilor Kahn voting in opposition.

On a vote of 4-1, the Finance, Organization and Personnel Committee recommends that City Council approve the Capital Improvement Program 2016-2022 as amended. Councilor Kahn voting in opposition.

Chairman/Designee

Background:

Mayor Lane referred to the issue of the revitalization of downtown (page 71) drainage system on Court Street which has some difficulties and needs some work done on it. This would require the digging up of Court Street and the west side of Central Square. He noted 1984 is when the last revitalization happened which was referred to as Downtown Revitalization Part 2. He noted that Part 1 happened in 1978. Two years was spent in the 80's doing an analysis of the downtown, the Council appropriated two million dollars for this work which was completed in 1988. However, circumstances have now changed; there was no consideration given to outdoor cafes, many trees need to be replaced, and complete street policy modifications still need to be made to the downtown to bring it more into compliance with this policy, the parking meters need to be replaced with kiosks to provide for more room on sidewalks, the traffic lights are not set appropriately, etc. He made note of the request which has come from Dorrie O'Meara who has asked for some landscaping to be removed which area does not have a sidewalk and would require the construction of a sidewalk.

The Mayor urged the committee that should the proposal for a study for downtown come forward that it be approved. He noted Keene's downtown has been voted among the ten top open spaces in the country and the downtown now represents 10% to 12% of the city's tax base which needs to be protected.

Councilor Lamoureux brought up the issue of the Gilbo East parking lot. He noted last year the city rehabilitated the Commercial Street lot which was originally supposed to have been a mill, shim overlay. The Councilor stated his request is to move the Gilbo East project from FY19 to FY18 - the lot has many issues but the city did not want put a lot of money into this lot because of the discussion which has been going on about the location of a parking deck in this lot. He felt it would be prudent to move this project up especially with the library project which is going to be underway soon and would require the use of this lot even more than it is being used now.

Councilor Lamoureux stated conversation has been pursued with Eversource regarding the location of utilities and felt everything could be accomplished with the parking lot being dug up once. He felt the mill shim overlay being proposed for FY17 is sufficient for the time being.

Chair Greenwald asked the Manager for the implications of moving this project up. The Manager stated it would require recalculation for that particular year. Councilor Lamoureux noted the downtown infrastructure capital reserve is one of the funding sources which could be used for this work. He reminded the committee on page 96 there is $672,000 allocated for a parking structure design which has been in this cost center for a number of years and felt some of these funds could be used for this lot. He stated Public Works is aware of his intention. Chair Greenwald felt this would discourage the construction of a parking deck. The Manager stated he has not seen any concrete proposals for a parking deck but did not feel the construction of a parking lot negates the construction of a parking deck.

Councilor Clark asked about the $118,000 in FY 19. Councilor Lamoureux stated this was for overlay work and added the installation of kiosks is not part of the $118,000. He indicated there still needs to be a discussion about the construction of a sidewalk in front of Lindy's Diner and there can be four additional spaces added to Gilbo Avenue. On St. James Street, during the construction of the Fire Station, there were six spaces added and his recommendation would be to take those spaces and add it into the construction of the parking lot.

Councilor Clark stated there has been much concern expressed by neighborhoods about the reconstruction of existing sidewalks and there is now a proposal to add in a new sidewalk which is not included in the CIP. The Councilor asked how much more money is being anticipated in addition to the $118,000. Councilor Lamoureux noted the downtown infrastructure capital reserve could be used for this work and cannot be utilized in other areas. He indicated he wasn't sure how much the cost would be but the Commercial Street lot cost $186,000 more than the $99,000 which was budgeted.

Councilor Manwaring requested moving up the tennis courts project at a cost of $28,390 (page 56). She noted the southeast Keene neighborhood group raised $3,500 to install a new swing set at Robinhood Park and the reconstruction of the tennis courts would make this area look that much better. Councilor Kahn noted Councilor Manwaring's Memo says $23,390 but the CIP says $28,390. Councilor Manwaring stated her figure was incorrect.

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

That the Finance, Organization and Personnel Committee adopt the Capital Improvement Program 2016-2022 as presented.

Councilor Kahn noted for FY17 there is a 43% increase in the CIP but did recognize the major reason; however he also recognizes the implications on the tax payers and felt an alternative needs to be found. He felt the Boston CPI was a good target for the city and the change being proposed in the Boston CPI from January 2015 to January 2016 is 1% which might not be an unachievable guideline for this upcoming year when the CIP is suggesting a 1.7% increase on the current tax rate.

A motion was made by Councilor Kahn on Page 38 - Apparatus Capital Reserve – to change the allocation to $300,000 over the next six years. The motion was seconded by Councilor Powers.

Mr. Kopczynski stated there is a reason why the first two years are front end loaded and asked the Fire Chief be permitted to address this issue. Chief Howard stated the reason for front end loading for the first two years is because over the last few years the department has worked on securing funds for the purchase of ladder 2 in FY18. He noted a considerable amount of work was done on this truck a year ago. He stated six years ago this truck cost $600,000 now the estimate is up to $900,000. He also reminded the committee the Council noted a shortfall and the Finance Director was directed to increase the funding source by $45,000. It was recommended this funding increase will stay in place for three consecutive years. He noted as new NFPA Standards come out the cost of an engine goes up by $20,000 - $40,000 every five years. He stated his concern is the Standards are due to be updated in FY17. He stated if the funding is reduced to $300,000 for the next two years the city will not be able to purchase a ladder truck in FY18 as the projected cost of the truck is $900,000.

Councilor Kahn felt if $300,000 was allocated through FY19 the purchase of the vehicle should be possible. He added he does not intend to short the city of what it needs to operate an emergency service but also wants to approach the CIP in a manner that is possible.

Councilor Jacobs stated he appreciates what the Councilor is recommending but felt this was a significant need and there might be other things which could be delayed. He noted also to a purchase in FY20. Councilor Kahn stated the purchase in FY20 is being funded through bonds. The Chief stated this truck in FY20 did not fit into the "pay as we go" program" and hence the reason for using bonds for its purchase.

Councilor Clark referred to allocations of $245,000 and asked whether the entire amount could be averaged out by doing what Councilor Kahn is suggesting. Chief Howard stated according to the Finance Department when ladder 2 comes up for purchase in FY18 the funds being allocated is what is needed with a balance in the account of $909 at that point.

The Manager stated he appreciates what the Councilor is trying to do but the reason the amount is being front end loaded was not arbitrarily done; it was done with a particular purpose in mind. He stated if the amount is spread out as being suggested the purchase will be pushed out which could result in changes to standards and rising costs. Councilor Powers noted that if there is no money in the bank, the Manager cannot sign a purchase order and this could also delay the process. Chief Howard stated if the city waited until after a fiscal year (FY19) so there could be $900,000 in the account the department will have to wait an entire another year to get the truck for delivery of a ladder truck which could result in change to standards as well as change to cost.

Councilor Kahn stated the change can still be made for FY18 and suggested decreasing the allocated amount to $300,000 at least for FY17. He felt the 1.7% on this CIP is too much for the tax payer to bear.

Chief Howard stated their trucks are on a replacement plan and if they had followed the plan ladder 2 which is going to be replaced in FY18 would have been replaced in FY15. He stated front end loading was to get them back on a better baseline. Councilor Kahn stated another solution would be to amend the FY17 budget to $300,000 and FY18 to $500,000 and end up at the same place with a smooth increase. Chair Greenwald stated he cannot agree to this change as he felt this was too much of a spike.

The motion made by Councilor Kahn failed on a 1-4 vote with Councilor Kahn voting in favor.

Because the public was present tonight for the library project the Chair asked if there were any proposed changes to that project. There were no amendments to the library project.

A motion was made by Councilor Kahn on page 71, Downtown Revitalization – to reduce in FY17 $45,000 to zero and in FY18 to increase the amount to $70,000. The motion was seconded by Councilor Clark.

Councilor Kahn stated he appreciates what Mayor Lane said but here again in the spirit of a smooth impact to the tax payer this amount be funded totally in FY18.

The motion made by Councilor Kahn failed on a 1-4 with Councilor Kahn voting in favor.

A motion was made by Councilor Kahn on page 58, Jonathan Daniels Trail Study - to reduce in FY17 the amount of $20,000 to zero.

Councilor Kahn explained this project is not using current revenue funds but will be using current fund reserves and the manner in which this would ultimately save money is by assigning those capital fund reserves to the sidewalk improvement program. This program is already splitting the total cost of that effort between current funds and the reserve.

Councilor Powers asked whether a designated capital reserve can be used for something else. Mr. Kopczynski stated his notes indicate this project is being funded by the Transportation Improvement Fund so it is not coming out of the tax rate. Mr. Blomquist explained the Council increased the vehicle registration fee by $5 for transportation projects and there is approximately

$100,000 in this fund and this money can only be used for transportation projects and cannot be used for sidewalk work. Chair Greenwald recalled last year a reason for not completing this bike path work and asked for clarification. The Chair asked if this item was not addressed tonight whether it could be addressed during final budget review. Mr. Blomquist answered in the affirmative. Councilor Jacobs asked whether these were tax payer funds. Mr. Blomquist stated they come out of the car registration fee and does not affect the property tax rate.

Councilor Kahn noted with no funding for sidewalk improvement from FY18 on, he would like to have a broader discussion on how that fund should be applied towards a complete streets project such as sidewalks or pedestrian safety. He felt this is isolated from the other considerations in the CIP but have been postponed until later. Mr. Blomquist referred to page 64 which explains this capital reserve and identifies the projects this fund will be used for. The Manager asked that the Parks and Recreation Director be given an opportunity to address this item.

Mr. Bohannon stated the Cheshire Rail Trail phase 3 project for which the city received a grant - the Jonathan Daniels Rail study is one of the projects staff looked at. The plan is to continue this trail which now ends at Appel Way all the way to Maple Avenue. One alternative is to go along the river, the other alternative is to go along the bypass and the final alternative is to go along Wheelock Park, up Park Avenue and then on to Maple Avenue.

The motion failed on a 2-3 vote with Councilor Kahn and Chair Greenwald voting in favor.

Councilor Powers referred to Page 59 and felt this project should be looked at sooner than FY20 - Communications Dispatch at the Police Department.

A motion was made by Councilor Jacobs on page 70 Curbing Repair Replacement, page 82 Sidewalk Repair and Replacement and on page 88 Spot Repair be funded from the operating budget and not from debt. The motion was seconded by Councilor Powers.

Councilor Jacobs felt this type of repair should be coming from the operating budget and even though it is for the maintenance of a capital asset it is not a capital expense. He noted the total of this expense is $149,836 which would cause a reduction in debt and according to the fiscal policies the city is over in its operating budget for debt service and felt this would be a step in the right direction.

The City Manager noted the city will have an $18,000 debt payment but the committee will be exchanging this for an increase to the budget which will increase the Public Works budget by $149,000. Mr. Blomquist stated according to the Finance Department's calculation adding this amount to the operating budget will increase the property tax amount versus bonding this amount. Mr. Blomquist stated staff agrees this is not a capital program but to make the project fit within the budget this seemed to be the better option.
Councilor Kahn pointed out the increase to property tax as it stands is 1.7% and with this amendment it would increase to 2.1% and this is just for the CIP. Councilor Jacobs stated this assumes the committee doesn't find anything else to save money on. Councilor Powers asked how moving this into a bonded expense would cause an increase to property taxes. Councilor

Kahn explained when an expense is bonded it is spread out over a longer period of time. He felt the city is moving quickly in a direction which might be the right direction but it is increasing the tax rate another step.

The motion failed on a 1-4 vote with Councilor Jacobs voting in favor.

Councilor Kahn stated after FY17 there are no sidewalks being proposed and noted there is a list of projects being proposed in the CIP which might or might not be the most important projects in the city. He stated because there is funding in the CIP he would like the tax payers to be able to have a discussion as to what projects are important for complete street improvements. He noted there is $100,000 in the transportation fund which is likely to be exhausted fast on any project. There are many areas which have been altered and neighborhoods need the opportunity to discuss where the real need is. The Councilor noted because of the suggestion of the estimate around $500,000 needed per year, he would like to make the following motion:

A motion was made by Councilor Kahn to add $500,000 through bond funding beginning in FY18. The motion was seconded by Councilor Powers.

Councilor Powers asked whether Councilor Kahn was referring to new sidewalks where there are no sidewalks now. Councilor Kahn answered in the affirmative and stated he is more concerned about bicycle and pedestrian safety. He noted debt service is greatly reduced in the CIP because the sidewalk program has stopped after FY18. Chair Greenwald stated he was not opposed to this suggested but would like to see a list or a plan for sidewalks before money is allocated.

The motion failed on a 2-3 vote with Councilor Kahn and Councilor Powers voting in favor.

On a vote of 4-1, the Finance, Organization and Personnel Committee recommends to the City Council that on page 56, $28,390 slated for the Robin Hood Park tennis courts be moved from FY18 to FY17. Councilor Kahn voting in opposition.

On a vote of 4-1, the Finance, Organization and Personnel Committee recommends that City Council approve the Capital Improvement Program 2016-2022 as amended. Councilor Kahn voting in opposition.

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3C1

City of Keene
New Hampshire

MEMORANDUM

DATE: March 15, 2016

TO: Mayor and City Council

FROM: Tara Kessler, Planner TK

SUBJECT: **Ordinance – O-2016-03-A** – Relating to a proposed zone change. Petitioner, Keene Public Library Board of Trustees requests a zone change from Office to Central Business. The parcel of land affected by this request totals an area of 0.8 acres and is identified by the Tax Map Parcel number 001-01-006 (76 Winter Street). This proposed Ordinance was amended on March 14, 2016 by the Joint Planning Board and Planning, Licenses and Development Committee.

Recommendation

A motion was made by Gary Spykman that the Planning Board finds the proposed ordinance (O-2016-03) as amended consistent with the Master Plan. The motion was seconded by Councilor George Hansel and was unanimously approved.

A motion was made by Councilor Phil Jones that the Planning, Licenses and Development Committee request the Mayor set a public hearing date. The motion was seconded by Councilor George Hansel and was unanimously approved.

Background

A full report of the public workshop held for this proposed Ordinance at the March 14, 2016 Joint Planning Board / Planning, Licenses and Development Committee will follow.

At this meeting, the Committee made the following amendments to the proposed Ordinance (O-2016-03). Remove the properties located at 86 Winter Street (TMP# 001-01-004) and 105 West Street (TMP# 001-01-005) from the zone change request. Per Section 102-171(c) of the City's Zoning Ordinance, "the planning, licenses and development committee and the planning board are free to make appropriate changes to the proposed ordinance throughout the process without any requirement that additional public notice be provided prior to the conclusion of the workshop process."

O-2016-03-A

Sixteen

Relating to Change of Zone – Keene Public Library Annex and Adjacent Parcels

That Chapter 102, the Zoning Ordinance of the City of Keene, New Hampshire, as amended, be and hereby further amended by changing the zoning designation on the Zoning Map of the City of Keene, as adopted by the Keene City Council on December 15, 1977, as part of Chapter 102 entitled, "ZONING", of the said Ordinances, from Office (O) to Central Business (CB), on the following parcels:

001-01-006-0000	76 Winter Street
~~001-01-005-0000~~	~~105 West Street~~
~~001-01-004-0000~~	~~86 Winter Street~~

Kendall W. Lane, Mayor

O-2016-03-A

Sixteen

Relating to Change of Zone – Keene Public Library Annex Parcel

That Chapter 102, the Zoning Ordinance of the City of Keene, New Hampshire, as amended, be and hereby further amended by changing the zoning designation on the Zoning Map of the City of Keene, as adopted by the Keene City Council on December 15, 1977, as part of Chapter 102 entitled, "ZONING", of the said Ordinances, from Office (O) to Central Business (CB), on the following parcel:

001-01-006-0000	76 Winter Street

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Kendall W. Lane, Mayor

O-2016-03 Library Rezoning

Recommendation: That a **public hearing be set for <u>April 7, 2016</u>** to review the proposed ordinance O-2016-03 relating to a zone change for the parcel located at 76 Winter Street (tax map parcel #001-01-006) from Office to Central Business.

3D1

City of Keene
NEW HAMPSHIRE

March 9, 2016

TO: Mayor and City Council

FROM: Municipal Services, Facilities and Infrastructure Committee

SUBJECT: **COMMUNICATION – Phil Suter/Greater Keene Chamber of Commerce – Removal of Granite Curbing – West Side of Central Square – Sidewalk Café License**

On a vote of 5-0, the Municipal Services, Facilities, and Infrastructure Committee placed the communication from Phil Suter on more time, attached to the more time item "B. Dorrie O'Meara – Granite Curbing – West Side of Central Square."

Chairman/Designee

Background:

Chair Manwaring noted that Phil Suter was unable attend the meeting tonight. She continued that they will move this to their next session.

Councilor Lamoureux made the following motion, which was seconded by Councilor Filiault.

On a vote of 5-0, the Municipal Services, Facilities, and Infrastructure Committee placed the communication from Phil Suter on more time, attached to the more time item "B. Dorrie O'Meara – Granite Curbing – West Side of Central Square."

4A1

City of Keene
NEW HAMPSHIRE

TO: Honorable Mayor and City Council

FROM: Councilor Greenwald, the Finance, Organization and Personnel Committee Chair

SUBJECT: Performance Evaluations – Charter Officers

Recommend that Ordinance O-2016-06 be referred to the Finance, Organization and Personnel Committee for their review and consideration.

Background

Ordinance O-2016-06 removes the reference to a March time frame for conducting performance evaluations and any consideration of a salary for the City Council appointed positions of City Clerk, City Attorney and City Manager. The ordinance would allow for the performance review dates to be scheduled within one month on the anniversary dates of each appointed Charter Officer. The Ordinance also recognizes that any salary level increases are handled as part of the annual class allocation and salary schedule ordinance. This change would provide a separate and distinct timeframe at which the undivided attention to each Charter officer's performance evaluation would occur.

ORDINANCE

4A2

CITY OF KEENE

O-2016-06

In the Year of Our Lord Two Thousand and ....Sixteen..........

AN ORDINANCE ....Relating to Charter Officers – Performance Evaluations..........

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 deleting the stricken text in paragraph (b) in Sec. 2-231 – City Council Appointments' Salary Schedule of Division 6 – Compensation in Chapter 2 entitled "Administration":

Sec. 2-231. - City council appointments' salary schedule.

~~(b) Performance review and consideration of salary level increases are to be conducted in March of each year.~~ Performance reviews are to be conducted within one month of the anniversary date of the city council appointee.

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Kendall W. Lane, Mayor

PASSED

6A1

City of Keene
NEW HAMPSHIRE

March 10, 2016

TO: Mayor and City Council

FROM: Finance, Organization and Personnel Committee

SUBJECT: **MEMORANDUM: Finance Director - Staff Recommended Change to the 2016 Proposed Fiscal Policies**

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the Fiscal Policy section V.b.iv relating to ambulance service fees be accepted as informational.

Chairman/Designee

Background:

The Manager addressed this item on behalf of the Finance Director. Mr. Kopczynski stated he would like to call the committee's attention to the last page of the Director's Memorandum where he draws a comparison of rates. He noted Medicare reimbursement keeps dropping and what is happening is the tax payer and insurance companies are picking up more of the cost and this rate increase would equalize the cost a little more.

Councilor Powers noted the city charges $719 and asked how much Medicare would pay. Fire Chief Mark Howard stated in relation to the current Medicare rates he referred to the last page: BLS Emergency Rate, the current Medicare rate is $374.87; BLS Non-Emergency - $236.59; ALS Non-Emergency - $283.91; ALS 1 - $449.53; ALS 2 - $650.63; Specialty Care Transport - $768.93.

Councilor Clark asked what Medicare rates are based on. Chief Howard stated he did not know.

Chair Greenwald asked how much someone who does not have insurance would be charged if they are transported by ambulance. Chief Howard stated the rates which are going to be adopted would be across the board based on the service they provide. Medicare, Medicaid and Blue Cross are fixed rates but all others pay the rates the city establishes, for example BLS (Basic Life Support) would be $719. He went on to say as per the Finance Director's report, for the last calendar year there were 2,261 billable transports, and of those 254 (11.2%) were uninsured persons and the collection rate was 16.89%.

Councilor Clark asked whether those uninsured clients who don't reimburse the city get included in the city's rate. Chief Howard stated there are two rates to offset the cost of the ambulance service; the primary rate is to bill the patient (insured or uninsured), at the end of that revenue any uncollected amount goes into the standby fee for the Keene tax payer and the six other towns Keene provides service to (City of Keene tax payer pays 80% and the other six towns will pick up 20%). It is not included in next year's rate but goes into the standby fee. Medicare has continued to downshift the fees they are going to pay even though the city's cost to provide the service keeps going up. He added if the Medicare Bill did not pass, the city might not necessarily make money but they will definitely end up losing more money.

Councilor Kahn asked whether Chief Howard is aware of the insured rates and whether the city has scoped that out. Mr. Kopczynski stated he was not aware of any such costing out but the manner in which he understands the billing system – ambulance billing goes through an ambulance billing service and a collection process goes through the same service. He stated this is information he could obtain for the committee. Councilor Kahn stated the reason he is asking this question is because if the city is at a point where the actual cost is not being covered and the city is raising the rates to a degree where the insurance companies have already said is not covered by their common policies, he would like to know at what rate those prices should be set.

Councilor Powers stated the way he understands this issue is insurance companies will pay 80% of usual and customary costs and the city can't raise its rates until Medicare does and felt the city is keeping up with it as best as it can.

Chief Howard noted the top Comstar 50 rate refers to the following municipalities: Four from New Hampshire, six from Rhode Island and the others are from Massachusetts. They are all municipal agencies and are not private agencies. Chief Howard stated the collection rate last year was higher so the standby fee went down, but this year the collection rate is lower. He stated what prompted bringing this issue forward as part of the fiscal policies to set the new rate at $250 is that it has been projected by Comstar that this new rate will bring in approximately $85,000 in additional revenue.

Councilor Powers referred to a clarification – for the Medicare plus $250, BLS Non-Emergency, ALS Non-Emergency Base Rate; $800 and $900 are not correct. Chief Howard agreed and stated there are three different rates, the Comstar 50 rate, the Keene current rate and the Medicare 250 rate. Based on the Finance Director's Memo, Keene's current rate should be Medicare plus 75%. However, this is not the rate and the reason is because in 2013 when the last increase went in for Medicare the industry standard was changing from what they referred to as an "A La Carte" list which had a base fee and then you could charge for the different items such as: IV, Defibrillator etc. However, in 2014 these were all combined into the base rate and were referred to as the bundled rate which is what the insurance companies prefer. For BLS Non-Emergency base rate – the current rate with those items rolled in is 92%, while the ALS Emergency Base Rate is

Medicare plus 168%, and theALS 2 is Medicare plus 176%. In these three categories – it would be at this number going to $250.

Councilor Powers asked why this item is in the fiscal policies and not in the fee structure. Chief Howard stated in the spring there will be a list of fees which will come back before the Committee for its approval.

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the Fiscal Policy section V.b.iv relating to ambulance service fees be accepted as informational.

6A2

City of Keene
NEW HAMPSHIRE

March 10, 2016

TO: Mayor and City Council

FROM: Finance, Organization and Personnel Committee

SUBJECT: **COMMUNICATION: Mayor Lane - Suggested Amendments to the Fiscal Policy Resolution**

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends accepting the Mayor's communication on fiscal policies as informational.

Chairman/Designee

Background:

Chair Greenwald referred to the CIP and stated Councilors present have an opportunity to offer their suggestions and the Committee will consider those changes. At the next Council meeting, Councilors can offer their amendments. However, the fiscal policies are still open for public comment.

Mayor Lane addressed the Committee next and stated he had the opportunity to review the fiscal policies from the Town of Hanover and there were two items which were of importance. He stated there has been a lot of discussion as to whether we want to continue to use the Boston CPI as the city's cap for the tax revenue it receives. He felt an explanation as to why we use the Boston CPI might be appropriate. He stated the use of the Boston CPI is to keep the city's portion of its financial obligations in line with the other financial obligations it incurs. He stated the language included in the Memorandum is a modification of the language used by Hanover.

The other amendment the Mayor is proposing is the down shifting of expenses from the State and they are relying on local property taxes to balance its own budget. He stated at the end of every legislative session there are expenses passed down and referred to the recent one with respect to providing security for the Roxbury Reservoir. The Mayor stated in the long run this is not sustainable. He stated each year the city cuts its costs but there are expenses being passed down from the state.

Chair Greenwald stated he likes the following language being proposed by the Mayor:
f. 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 town services. The City is sensitive to this added expense to the taxpayers and will attempt to limit the impact. However, as a State expense we will pass through State downshifting to the taxpayers.

The Mayor stated this notion will only change if the taxpayers decide there should be a change.

Councilor Kahn asked what the Mayor was proposing with the downshifting and how that should be absorbed and noted there are currently three entities which make up the city's tax rate, the school, county and local and asked whether the Mayor was suggesting a fourth line. The Mayor stated he would like a fourth line but wasn't sure whether it would be legal to add a fourth line and these expenses might have to be absorbed by the city's line.

The Mayor noted the County did the same thing when they moved Mutual Aid to the city.

Councilor Clark stated he agrees with Item f. and asked what exactly this item is conveying. The Mayor stated what it is saying is when the city is considering its own budget the city will not consider as a primary driving force expenses passed down by the state. The city uses the Boston CPI as a cap and anything over and above that passed down by the state will need to be considered separately.

Councilor Powers stated he does agree with item f. as well as 1. a. as they both amplify what the city is doing. Mayor Lane stated this is not an attempt to change the process but an attempt to highlight the process the city is doing.

Chair Greenwald asked whether the language would be better clarified if language in d.i. says as follows:
...expenditures required by law, debt service payment, downshifting from state...

Mayor Lane stated if it is was going to be changed it should probably be d.i.i.i which would then be a section under property taxes as opposed to an "f" section.

Councilor Powers asked procedurally how this was going to be handled tonight. Chair Greenwald stated this matter will be accepted as informational tonight, the staff report will be accepted as informational as well and a motion will then be made to accept the fiscal policies.

Mayor Lane noted there will be a workshop in July on Council goals and at the same time the city will be looking at the fiscal policies and hence the financial structure will be looked at before the budget cycle begins in July.

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends accepting the Mayor's communication on fiscal policies as informational.

6A3

City of Keene
NEW HAMPSHIRE

March 10, 2016

TO: Mayor and City Council

FROM: Finance, Organization and Personnel Committee

SUBJECT: **RESOLUTION: R-2016-02: Relating to Fiscal Policies**

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the suggestions made by the Mayor be included, and that they be indexed by the City Clerk.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends adding the following language:
"Whereas this policy shall be reviewed and adopted annually by the City Council in July."

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends including the recommendation from staff regarding ambulance service, and the adoption of R-2016-02, as amended.

Chairman/Designee

Background:

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

That the Finance, Organization and Personnel Committee recommends adoption of R-2016-02.

A motion was made by Councilor Clark that Section 3. b. Collaboration be amended as follows: "The City *shall* seek collaboration..." The motion was seconded by Councilor Jacobs.

Councilor Clark stated he has had discussions with the School Board and the County relative to collaboration of services such as for example janitorial services which cost is paid by the same tax payer and it would be beneficial to the tax payer if these services are combined. He noted the city is still paying much less in fuel costs as compared to the County or the School Board. He indicated this is something which is included in the city's fiscal policies but not in the County or School District policies. He felt this is something about which staff should have a conversation with these two entities.

For the benefit of the public the Chair referred to this language:
Collaboration. The City may seek collaboration with other interested governmental entities or agencies to consolidate when possible and practicable employees, services, and the purchase of materials, supplies, and other consumables, when doing so:
i.reduces duplication of effort,
ii. provide for the efficient and effective use of public resources, and
iii. conforms to budgetary parameters and remain cost competitive.

Councilor Powers asked how the city can make this work from a practical standpoint because staff has done everything they can.

Councilor Jacobs stated he has no issue with the amendment - the city is just being encouraging.

Councilor Kahn noted all the other sections use the term "will" and recommended for consistencies sake to change the term to "will". Mr. Kopczynski stated staff always tried to collaborate with the School District and County but the difficulty has been trying to coordinate the contract years. He stated if the term is changed to "will" staff will make every effort to do this but wasn't sure how effective this will be with the School District and County. Chair Greenwald asked whether the Manager sees an impediment to staff by changing this term. Mr. Kopczynski answered in the negative and added the intent can always be achieved which is to reach out and staff is already doing that.

Councilor Clark stated anything to highlight to the taxpayer the city is trying and are also encouraging the other entities to get on board would be beneficial. As far as the timing, he stated the discussion about the fuel contract did come up and felt in four years something could have been done to mesh everything together. He stated he was speaking for the tax payer and the city needs to do all it can to save the tax payer money and if there needs to be more definitive language added then it should be done.

Councilor Clark who made the motion and Councilor Jacobs who seconded the motion agreed to change the word from "shall" to "will".

The motion carried on a unanimous vote.

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the suggestions made by the Mayor be included, and that they be indexed by the City Clerk.

Councilor Powers suggested the following changes as scrivener's errors:

Page 6, VII. H. "The City of Keene has issued three types of bonds" be changed to
The City of Keene issues three types of bonds

Page 5, V. Fees and Charges f. "All fees and charges shall be adopted by the City Council either by ordinance" be changed to *"All fees and charges shall be adopted by the City Council"* to be consistent what actually happens, ordinances may or may not have fees included in them and Council Committees don't have the opportunity to adopt fees. Mr. Kopcynski stated there is a workshop being scheduled on the topic of fees and there is at least one Board which sets its own fees, which is the Zoning Board. Councilor Jacobs asked by approving this motion whether the City would be out of compliance because there are Boards and Committees which set their own fee structure. Mr. Kopczynski stated when the fee structure comes back before the Council everything will be included in it and there will be an adoption process which will be undertaken.

Councilor Powers referred to the next correction:
Page 9 - #14 "Fleet Equipment Capital Reserve - for the replacement of vehicles and equipment under the control of Fleet Services" be changed to "Fleet Equipment Capital Reserve - for the replacement of vehicles and equipment under the *management* of Fleet Services"

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends adding the following language:
"Whereas this policy shall be reviewed and adopted annually by the City Council in July."

Councilor Kahn felt it should say prior to September preceding the fiscal year. The Manager cautioned the Committee the Council has its vacation during the month of August and felt July would be better.

Councilor Kahn felt there should be a discussion as to what should be included in fiscal policies and noted purchasing was just discussed and felt he is sure the city is involved in much more complex purchasing policies than was discussed.

Chair Greenwald made the following motion which was seconded by Councilor Powers

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends including the recommendation from staff regarding ambulance service, and the adoption of R-2016-02, as amended.

Mr. Kopczynski clarified between now and the next Council meeting staff will look at what is on the website for ambulance rates but added there is agreement with the $250 amount.

Councilor Powers stated he agrees with what Councilor Kahn said, which is to look at what a fiscal policy is and what a budget policy is. Budget policies are what politicians are involved in and fiscal policies are what staff uses.

R-2016-02-A

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

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 in the month of July, and

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

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:
      i. Governmental Funds
         - General Fund – shall be used to account for those governmental activities that are not recorded in one of the other City Funds that have been established under the authority of the City Council
         - Special Revenue Funds:
            a. Grants Fund – shall be used for those activities that are funded in part or in whole by contributions from other entities
            b. Parking Fund – shall be used to account for the operations, maintenance and capital outlay needs of the municipal parking areas

c. PC Replacement Fund – shall be used to account for the on-going replacement of PC's and certain peripherals, and desk top software utilized by all City departments
d. 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 closed landfill

- Capital Projects Fund – shall be used to account for the capital projects funded by any of the governmental funds

ii. Proprietary Funds

- Enterprise Funds
  a. Sewer Fund – shall be used to account for the operations, maintenance, and capital outlay needs of the sewer collection and treatment systems
  b. Water Fund – shall be used to account for the operations, maintenance, and capital outlay needs of the water treatment and distribution systems
- Internal Service Funds
  a. Equipment Fund – shall be used to account for the operations, maintenance and capital outlay needs of fleet services

II. <u>Budget</u>

a. The City shall adopt appropriated budgets for the following funds
   i. General Fund
   ii. Parking Fund
   iii. PC Replacement Fund
   iv. Solid Waste Fund
   v. Sewer Fund
   vi. Water Fund
   vii. Equipment Fund
b. All appropriated budgets shall be adopted annually.
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 Finance Department computer 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 July 15 of every year.
d. The City Council shall be presented with a budget for each of the funds that have an appropriated budget annually, and each shall be balanced.
e. The budget document shall provide projections of revenues and expenditures/expenses beyond the subject year.
f. Upon completion of any project, any residual funds shall be returned to the fund that provided the original appropriation.
g. Partner City Committee
   i. For the Partner City Committee, general fund appropriations shall be accounted for and expended separately from donations and proceeds from fund raising activities.
   ii. Each year, if the city council approves a general fund appropriation, that amount shall be transferred into a distinct non-lapsing account. The

Partner City Committee is authorized to spend this appropriation, as well as the donations and proceeds from fund raising activities, for activities associated with their purpose, as defined in the city code. At year end, the balance remaining in the non-lapsing account funded by general fund appropriations shall be reviewed by city staff. To the extent that any balance remaining exceeds the total of the two most recent appropriations, the excess shall be returned to the general fund as surplus.

III. Purchasing

a. Environmental Preferred Purchasing. To the greatest extent possible and within budgetary constraints, the City of Keene will consider life-time costs and environmental impacts when purchasing goods and services.
   i. Practices will be developed, implemented and adhered to that will reduce waste by increasing product efficiency and effectiveness.
   ii. Products that minimize environmental impacts, toxins, pollution, and hazards to worker and community safety will be given preference to the greatest extent practicable.
   iii. To the greatest extent possible and within budgetary constraints, the City of Keene will purchase products that:
      - include recycled content,
      - are durable and long-lasting,
      - conserve energy and water,
      - use agricultural fibers and residues,
      - reduce greenhouse gas emissions.
   iv. To the greatest extent possible and within budgetary constraints, the City of Keene will incorporate green building principles and practices into the planning, design, construction, management, renovation, operation, and demolition of all City facilities.

b. Collaboration. The City ~~may~~ will seek collaboration with other interested governmental entities or agencies to consolidate when possible and practicable employees, services, and the purchase of materials, supplies, and other consumables, when doing so:
   i. reduces duplication of effort,
   ii. provide for the efficient and effective use of public resources, and
   iii. conforms to budgetary parameters and remain cost competitive.

IV. 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 strive to diversify its revenues in order to maintain needed services during periods of declining economic activity and/or during periods of property tax pressures.

c. Designation of Revenues.
   i. 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, 50% of the amount over $25,000 will be designated for the 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.

ii. Direct reimbursements from other entities shall be used to offset the appropriate City expense.

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

d. Property Taxes.

i. The City shall limit its property tax revenue increases to the Boston CPI, net of expenditures required by law, and debt service payments. 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.

ii. Property Tax Credits and Exemptions. All exemptions and credits will be reviewed with the City Council every three years~~,~~ unless there are legislative changes that cause a review to occur on a more frequent basis.

iii. 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.~~

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e. Non-property tax revenues. The City will maximize the utilization of payments in lieu of taxes and user fees and charges.

V. 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.

i. In the event that the benefit is community-wide, there will be no user fee or charge assessed.

ii. 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

i. Cost recovery goals should be based on the total cost of delivering the service, including direct costs, departmental administration costs, and organization-wide support costs (e.g. accounting, human resources, data processing, insurance, vehicle maintenance).

ii. Fees and Charges will be set at something less than full cost recovery when:
   - A high level of cost recovery will negatively impact the delivery of service to low-income groups.
   - Collecting the fees and charges is not cost effective.
   - There is no intended relationship between the amount paid and the benefit received (e.g. social service programs).
   - There is no intent to limit the use of the service (e.g. access to parks and playgrounds).
   - 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.

iii. Fees and Charges will be set at, or above, full cost recovery when:
   - The service is also provided, or could be provided, by the private sector.
   - The use of the service is discouraged (e.g. fire or police responses to false alarms).
   - The service is regulatory in nature and voluntary compliance is not expected (e.g. building permits, plans review, subdivisions).

iv. Ambulance:
   - Service fees shall be set at ~~75~~ 250% above the Medicare-determined usual and customary charge.
   - 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
   - There will be no charge for responses determined by the Fire Department to be "public assists."

c. 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.
d. 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.
e. Rate structures should be sensitive to the market price for comparable services in the private sector or other public sector entities.
f. All fees and charges shall be adopted by the City Council.~~, either by ordinance, resolution or by action of a council committee.~~
g. Fees and charges shall be reviewed on an on-going basis, and recommended changes brought forth to the City Council for action, to ensure that they remain appropriate and equitable.

VI. Capital Improvement Program

a. The City of Keene shall prepare a capital improvement program (CIP) with a span of six years.
b. The CIP shall be updated annually.
c. The CIP will include all projects anticipated to be undertaken in the ensuing six-year period that have an estimated cost in excess of $20,000 and an anticipated useful life of at least five years.

d. The CIP shall contain revenue projections and rate impacts that support estimated operating costs as well as the proposed capital program.
e. Each project funding-request shall originate from a city department and shall include the following information:
    i. A description of the project.
    ii. A cost estimate.
    iii. A project time line.
    iv. A priority ranking.
    v. An estimate of the operating budget impact.
    vi. A reference to Community Goals.
    vii. A reference to Master Plans.
f. The CIP will be reviewed by the Finance Committee of the City Council and by the Planning Board.
g. The CIP will be the subject of a public hearing before it is adopted.
h. The funding requests in the first year of the adopted CIP will be included in the next annual budget document.
i. Upon project completion, any residual funds shall be returned to the fund that provided the original appropriation, unless otherwise directed by the City Council.

VII. Debt

a. The City of Keene will periodically incur debt to finance capital projects. All issuances of debt are subject to State of NH RSA 34 and 162-K.
b. Debt may be issued to fund those 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 specifically provided by law
d. The City of Keene shall not incur debt that exceeds any limits set by state law.
e. All bonds are authorized by Resolution of the Keene City Council and require a 2/3 vote.
f. The City of Keene may use the services of a financial advisor to assist in preparing for, and executing, any sale of bonds. Said services shall be obtained as the result of a Request for Proposals (RFP) process, which shall be conducted at a minimum of once every five (5) years.
g. The City of Keene shall acquire the required services of bond counsel as the result of a Request for Proposals (RFP) process, which shall be conducted at a minimum of once every five (5) years.
h. Form. The City of Keene ~~has~~ issue~~d~~s three types of bonds:
    i. General Obligation Bonds – repayment is backed by the full taxing power of the City of Keene.
    ii. 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.
    iii. 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.

i. Competitive sale is the preferred method of sale, however negotiated sales may occur for a current or advance refunding, or for other appropriate reasons.

j. Term
    i. Debt will be incurred only for those projects with a useful life of at least five (5) years.
    ii. The term of any debt incurred by the City shall be limited to no greater than the expected useful life of the improvement.

k. The use of short-term financing, lease or lease-purchase agreements shall be kept to a minimum.

l. The City of Keene will contain its General Fund debt service and current revenue capital outlay appropriations, on a five-year average, at or less than 15% of the General Fund operating budget.

m. Other funding sources – to the extent they are available, the City of Keene will actively pursue
    i. Grants that reduce the city's initial investment in project/improvement
    ii. Grants that contribute to the on-going debt service for city project(s)
    iii. Other financing tools such as tax credits that leverage the City's initial investment in a project.

VIII. <u>Capital Assets</u>

a. The City of Keene will develop and maintain a computerized capital asset system and database, including the necessary procedures and policies, to ensure the accurate and timely recording and reporting of additions, modifications, improvements, transfers and disposal of capital assets in accordance with generally accepted accounting principles (GAAP).

b. Capitalization of equipment, buildings, land and improvements other than buildings (if one or more of the following criteria are met):
    i. Cost (if known) or fair market value is greater than or equal to $5,000 <u>and</u> useful life is greater than one year for new or replacement items
    ii. In the case of modifications and upgrades, cost is greater than or equal to $5,000 for equipment, and $10,000 for buildings and other improvements <u>and</u> the changes accomplish one or more of the following:
        - Prolongs the useful life of the asset
        - Adapts the asset to a new or different use
        - Substantially increases the value of the asset
        - Does not substantially replace a current asset
    iii. All land acquisitions will be capitalized at cost (if known) or fair market value
    iv. The total cost of placing an asset into service condition will be capitalized.

c. Capitalization of infrastructure
    i. Cost greater than or equal to $10,000 <u>and</u> useful life greater than five years
    ii. The depreciation approach will be utilized for the reporting of all infrastructure

d. Depreciation: straight-line depreciation will be used to depreciate all depreciable capital assets over the estimated useful life of each asset, as determined by industry standards.

e. Asset Classification: assets will be recorded within broad asset groups (e.g. land, buildings, etc.).

f. Budgeting: the budgeting of capital assets will be in a manner that will facilitate the identification and recording of the asset in accordance with this policy.

IX. 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 carry forwards authorized and 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 or laws or regulations or other governments. All other net assets are reported as unrestricted.

X. Stabilization Funds

a. Unassigned Fund Balance.
   i. 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.
      - Unassigned fund balance for the General Fund will be maintained at between seven (7) and ten (10) percent 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.
      - Fund balances in all other budgeted funds should be maintained at between five (5) and ten (10) percent of the annual operating budget for that fund.

b. Self-funded health insurance.
   i. 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 months of estimated claim costs.

c. Capital Reserves.
   i. Capital Reserves, classified as committed funds, are reserves established under State of NH law, 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 RSA 34, relating to Capital Reserve Funds for Cities.
   ii. The City of Keene has established the following capital reserves:
      1. Fire Equipment Capital Reserve – for the acquisition or significant rehabilitation of fire apparatus
      2. Ambulance Capital Reserve – for the acquisition or significant rehabilitation of ambulances
      3. Intersection Improvements Capital Reserve – for the rehabilitation or reconstruction of existing intersections
      4. Hazardous Waste Site Capital Reserve – for the clean-up, mitigation and testing associated with the old City landfill located at 580 Main Street
      5. Transfer/Recycling Center Capital Reserve – for the repair and replacement of existing infrastructure, systems and equipment
      6. City Hall Parking Deck Capital Reserve – for the repair and replacement of existing infrastructure, systems and equipment
      7. Wells Street Parking Facility Capital Reserve – for the repair and replacement of existing infrastructure, systems and equipment
      8. Landfill Closure Capital Reserve – for the closure and post-closure costs associated with the City landfill located at Route 12 North.
      9. Wastewater Treatment Plant Capital Reserve – for the repair and replacement of major components of plant, including equipment and building
      10. Martel Court Pumping Station Capital Reserve – for the repair and replacement of major components of station, including equipment building
      11. Sewer Infrastructure Capital Reserve – for the repair and replacement of existing infrastructure, systems and equipment including pump stations and the collection system
      12. Water Treatment Facility Capital Reserve – for the repair and replacement of major components of facility including pumps, controls, chemical systems, etc., and building components
      13. Water Infrastructure Capital Reserve – for the repair and replacement of major components of existing infrastructure, systems and equipment including wells, lift stations, tanks, etc., and the distribution system
      14. Fleet Equipment Capital Reserve – for the replacement of vehicles and equipment under the ~~control~~management of Fleet Services

15. Bridge Capital Reserve – for the construction, reconstruction and rehabilitation of bridges.
16. Downtown Infrastructure and Facility Improvement Capital Reserve – for infrastructure and facility improvements in the downtown.
17. Transportation Improvements Capital Reserve - to fund, wholly or in part, improvements in the transportation system including roads, bridges, bicycle and pedestrian facilities, and intermodal facilities, except for parking.

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XI. Deposits of Excess Funds

a. Objectives (in priority order):
   - i. Safety – the safety of principal is the foremost objective
   - ii. Liquidity – investments shall remain sufficiently liquid to meet the operational cash needs of the City of Keene
   - iii. Yield – taking in to account the priority objectives of safety of principal and liquidity, a market rate of return

b. Authorized Investments:
   - i. US Treasury obligations
   - ii. US government agency and instrumentality obligations
   - iii. Repurchase agreements with NH Banks acting as principal or agent, collateralized by US Treasury/Agency obligations
   - iv. Certificates of Deposits in NH Banks (collateralized)
   - v. NH Public Deposit Investment Pool

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Kendall W. Lane, Mayor

6A4

CITY OF KEENE

R-2016-02-A

In the Year of Our Lord Two Thousand and Sixteen

A RESOLUTION Relating to Fiscal Policies

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 in the month of July, and

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

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.
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      i. Governmental Funds
         - General Fund – shall be used to account for those governmental activities that are not recorded in one of the other City Funds that have been established under the authority of the City Council
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PASSED

c. PC Replacement Fund – shall be used to account for the on-going replacement of PC's and certain peripherals, and desk top software utilized by all City departments
d. 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 closed landfill

- Capital Projects Fund – shall be used to account for the capital projects funded by any of the governmental funds

ii. Proprietary Funds

- Enterprise Funds
  a. Sewer Fund – shall be used to account for the operations, maintenance, and capital outlay needs of the sewer collection and treatment systems
  b. Water Fund – shall be used to account for the operations, maintenance, and capital outlay needs of the water treatment and distribution systems
- Internal Service Funds
  a. Equipment Fund – shall be used to account for the operations, maintenance and capital outlay needs of fleet services

II. <u>Budget</u>

a. The City shall adopt appropriated budgets for the following funds
   i. General Fund
   ii. Parking Fund
   iii. PC Replacement Fund
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b. All appropriated budgets shall be adopted annually.
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 Finance Department computer 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 July 15 of every year.
d. The City Council shall be presented with a budget for each of the funds that have an appropriated budget annually, and each shall be balanced.
e. The budget document shall provide projections of revenues and expenditures/expenses beyond the subject year.
f. Upon completion of any project, any residual funds shall be returned to the fund that provided the original appropriation.
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   i. For the Partner City Committee, general fund appropriations shall be accounted for and expended separately from donations and proceeds from fund raising activities.
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      - include recycled content,
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      - use agricultural fibers and residues,
      - reduce greenhouse gas emissions.
   iv. To the greatest extent possible and within budgetary constraints, the City of Keene will incorporate green building principles and practices into the planning, design, construction, management, renovation, operation, and demolition of all City facilities.

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LUCT revenues exceed $25,000, 50% of the amount over $25,000 will be designated for the 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.

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iii. 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.

e. Non-property tax revenues. The City will maximize the utilization of payments in lieu of taxes and user fees and charges.

V. <u>Fees and Charges</u>

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.

i. In the event that the benefit is community-wide, there will be no user fee or charge assessed.

ii. 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

i. Cost recovery goals should be based on the total cost of delivering the service, including direct costs, departmental administration costs, and organization-wide support costs (e.g. accounting, human resources, data processing, insurance, vehicle maintenance).

ii. Fees and Charges will be set at something less than full cost recovery when:
   - A high level of cost recovery will negatively impact the delivery of service to low-income groups.
   - Collecting the fees and charges is not cost effective.
   - There is no intended relationship between the amount paid and the benefit received (e.g. social service programs).
   - There is no intent to limit the use of the service (e.g. access to parks and playgrounds).
   - 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.

iii. Fees and Charges will be set at, or above, full cost recovery when:
   - The service is also provided, or could be provided, by the private sector.
   - The use of the service is discouraged (e.g. fire or police responses to false alarms).
   - The service is regulatory in nature and voluntary compliance is not expected (e.g. building permits, plans review, subdivisions).

iv. Ambulance:
   - Service fees shall be set at 250% above the Medicare-determined usual and customary charge.
   - 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
   - There will be no charge for responses determined by the Fire Department to be "public assists."

c. 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.
d. 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.
e. Rate structures should be sensitive to the market price for comparable services in the private sector or other public sector entities.
f. All fees and charges shall be adopted by the City Council.
g. Fees and charges shall be reviewed on an on-going basis, and recommended changes brought forth to the City Council for action, to ensure that they remain appropriate and equitable.

VI. <u>Capital Improvement Program</u>

a. The City of Keene shall prepare a capital improvement program (CIP) with a span of six years.
b. The CIP shall be updated annually.
c. The CIP will include all projects anticipated to be undertaken in the ensuing six-year period that have an estimated cost in excess of $20,000 and an anticipated useful life of at least five years.
d. The CIP shall contain revenue projections and rate impacts that support estimated operating costs as well as the proposed capital program.

e. Each project funding-request shall originate from a city department and shall include the following information:
    i. A description of the project.
    ii. A cost estimate.
    iii. A project time line.
    iv. A priority ranking.
    v. An estimate of the operating budget impact.
    vi. A reference to Community Goals.
    vii. A reference to Master Plans.

f. The CIP will be reviewed by the Finance Committee of the City Council and by the Planning Board.

g. The CIP will be the subject of a public hearing before it is adopted.

h. The funding requests in the first year of the adopted CIP will be included in the next annual budget document.

i. Upon project completion, any residual funds shall be returned to the fund that provided the original appropriation, unless otherwise directed by the City Council.

VII. Debt

a. The City of Keene will periodically incur debt to finance capital projects. All issuances of debt are subject to State of NH RSA 34 and 162-K.

b. Debt may be issued to fund those 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 specifically provided by law

d. The City of Keene shall not incur debt that exceeds any limits set by state law.

e. All bonds are authorized by Resolution of the Keene City Council and require a 2/3 vote.

f. The City of Keene may use the services of a financial advisor to assist in preparing for, and executing, any sale of bonds. Said services shall be obtained as the result of a Request for Proposals (RFP) process, which shall be conducted at a minimum of once every five (5) years.

g. The City of Keene shall acquire the required services of bond counsel as the result of a Request for Proposals (RFP) process, which shall be conducted at a minimum of once every five (5) years.

h. Form. The City of Keene issues three types of bonds:
    i. General Obligation Bonds – repayment is backed by the full taxing power of the City of Keene.
    ii. 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.
    iii. 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.

i. Competitive sale is the preferred method of sale, however negotiated sales may occur for a current or advance refunding, or for other appropriate reasons.

j. Term
    i. Debt will be incurred only for those projects with a useful life of at least five (5) years.
    ii. The term of any debt incurred by the City shall be limited to no greater than the expected useful life of the improvement.

k. The use of short-term financing, lease or lease-purchase agreements shall be kept to a minimum.

l. The City of Keene will contain its General Fund debt service and current revenue capital outlay appropriations, on a five-year average, at or less than 15% of the General Fund operating budget.

m. Other funding sources – to the extent they are available, the City of Keene will actively pursue
    i. Grants that reduce the city's initial investment in project/improvement
    ii. Grants that contribute to the on-going debt service for city project(s)
    iii. Other financing tools such as tax credits that leverage the City's initial investment in a project.

VIII. Capital Assets

a. The City of Keene will develop and maintain a computerized capital asset system and database, including the necessary procedures and policies, to ensure the accurate and timely recording and reporting of additions, modifications, improvements, transfers and disposal of capital assets in accordance with generally accepted accounting principles (GAAP).

b. Capitalization of equipment, buildings, land and improvements other than buildings (if one or more of the following criteria are met):
    i. Cost (if known) or fair market value is greater than or equal to $5,000 and useful life is greater than one year for new or replacement items
    ii. In the case of modifications and upgrades, cost is greater than or equal to $5,000 for equipment, and $10,000 for buildings and other improvements and the changes accomplish one or more of the following:
        - Prolongs the useful life of the asset
        - Adapts the asset to a new or different use
        - Substantially increases the value of the asset
        - Does not substantially replace a current asset
    iii. All land acquisitions will be capitalized at cost (if known) or fair market value
    iv. The total cost of placing an asset into service condition will be capitalized.

c. Capitalization of infrastructure
    i. Cost greater than or equal to $10,000 and useful life greater than five years
    ii. The depreciation approach will be utilized for the reporting of all infrastructure

d. Depreciation: straight-line depreciation will be used to depreciate all depreciable capital assets over the estimated useful life of each asset, as determined by industry standards.

e. Asset Classification: assets will be recorded within broad asset groups (e.g. land, buildings, etc.).

f. Budgeting: the budgeting of capital assets will be in a manner that will facilitate the identification and recording of the asset in accordance with this policy.

IX. 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 carry forwards authorized and 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 or laws or regulations or other governments. All other net assets are reported as unrestricted.

X. Stabilization Funds

a. Unassigned Fund Balance.
   i. 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.
      - Unassigned fund balance for the General Fund will be maintained at between seven (7) and ten (10) percent 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.
      - Fund balances in all other budgeted funds should be maintained at between five (5) and ten (10) percent of the annual operating budget for that fund.

b. Self-funded health insurance.
   i. 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 months of estimated claim costs.

c. Capital Reserves.
   i. Capital Reserves, classified as committed funds, are reserves established under State of NH law, 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 RSA 34, relating to Capital Reserve Funds for Cities.
   ii. The City of Keene has established the following capital reserves:
      1. Fire Equipment Capital Reserve – for the acquisition or significant rehabilitation of fire apparatus
      2. Ambulance Capital Reserve – for the acquisition or significant rehabilitation of ambulances
      3. Intersection Improvements Capital Reserve – for the rehabilitation or reconstruction of existing intersections
      4. Hazardous Waste Site Capital Reserve – for the clean-up, mitigation and testing associated with the old City landfill located at 580 Main Street
      5. Transfer/Recycling Center Capital Reserve – for the repair and replacement of existing infrastructure, systems and equipment
      6. City Hall Parking Deck Capital Reserve – for the repair and replacement of existing infrastructure, systems and equipment
      7. Wells Street Parking Facility Capital Reserve – for the repair and replacement of existing infrastructure, systems and equipment
      8. Landfill Closure Capital Reserve – for the closure and post-closure costs associated with the City landfill located at Route 12 North.
      9. Wastewater Treatment Plant Capital Reserve – for the repair and replacement of major components of plant, including equipment and building
      10. Martel Court Pumping Station Capital Reserve – for the repair and replacement of major components of station, including equipment building
      11. Sewer Infrastructure Capital Reserve – for the repair and replacement of existing infrastructure, systems and equipment including pump stations and the collection system
      12. Water Treatment Facility Capital Reserve – for the repair and replacement of major components of facility including pumps, controls, chemical systems, etc., and building components
      13. Water Infrastructure Capital Reserve – for the repair and replacement of major components of existing infrastructure, systems and equipment including wells, lift stations, tanks, etc., and the distribution system
      14. Fleet Equipment Capital Reserve – for the replacement of vehicles and equipment under the Imanagement of Fleet Services
      15. Bridge Capital Reserve – for the construction, reconstruction and rehabilitation of bridges.

16. Downtown Infrastructure and Facility Improvement Capital Reserve – for infrastructure and facility improvements in the downtown.
17. Transportation Improvements Capital Reserve - to fund, wholly or in part, improvements in the transportation system including roads, bridges, bicycle and pedestrian facilities, and intermodal facilities, except for parking.

XI. Deposits of Excess Funds

a. Objectives (in priority order):

i. Safety – the safety of principal is the foremost objective

ii. Liquidity – investments shall remain sufficiently liquid to meet the operational cash needs of the City of Keene

iii. Yield – taking in to account the priority objectives of safety of principal and liquidity, a market rate of return

b. Authorized Investments:

i. US Treasury obligations

ii. US government agency and instrumentality obligations

iii. Repurchase agreements with NH Banks acting as principal or agent, collateralized by US Treasury/Agency obligations

iv. Certificates of Deposits in NH Banks (collateralized)

v. NH Public Deposit Investment Pool

Kendall W. Lane, Mayor