City of Keene
New Hampshire

KEENE CITY COUNCIL
Council Chambers, Keene City Hall
August 4, 2016
7:00 PM

Roll Call
Pledge of Allegiance

MINUTES FROM PRECEDING MEETING

- July 21, 2016

A. HEARINGS / PRESENTATIONS / PROCLAMATIONS

B. ELECTIONS / NOMINATIONS / APPOINTMENTS / CONFIRMATIONS

1. Confirmations - Agricultural Commission and Heritage Commission

C. COMMUNICATIONS

1. Katherine Snow - Resignation - Juvenile Conference Committee
2. Barry LeClair - Resignation - Assessor's Board

D. REPORTS - COUNCIL COMMITTEES

1. Periodic Update from the Juvenile Conference Committee
2. Status of Dog Park
3. Acceptance of Donation - AAU Basketball – Parks, Recreation and Facilities Department
4. Cheshire Rail Trail III - Scope & Fee Increase
5. 2016 Road Rehabilitation Project - Construction Change Order
6. City Manager Recruitment

E. REPORTS - CITY OFFICERS AND DEPARTMENTS

1. CITY MANAGER COMMENTS

F. REPORTS - BOARDS AND COMMISSIONS

G. REPORTS - MORE TIME

1. Request for Abatement of Water Shutoff Fee – 25 American Avenue
2. Request for Water and Sewer Abatement - 169 Church Street
3. Request to Use City Property - 350/400 Marlboro Street
4. Ordinance O-2016-09: Relating to Dormitory, Lodging or Rooming Houses and Residential Board and Care

H. ORDINANCES FOR FIRST READING

1. Relating to the Partner City Committee
   - Memorandum - City Attorney
   - Ordinance O-2016-16
2. Relating to Environmental Preferred Purchasing and Collaboration
   - Memorandum - City Attorney
   - Ordinance O-2016-17

I. ORDINANCES FOR SECOND READING

1. Relating to Food Service Establishment Permit Fees
   - Report - PLD COM
   - Ordinance O-2016-11-A

J. RESOLUTIONS

1. Relating to Fiscal Policies
   - FOP Report
   - Resolution R-2016-25-B
2. Approving a CDBG Application for Mamasezz
   - Communication - CDBG Administrator
   - Resolution R-2016-30
3. In Appreciation of Jerome F. McDougle Upon His Retirement
   - Memorandum - ACM/Human Resources Director
   - Resolution R-2016-29

Non Public Session
Adjournment

A regular meeting of the Keene City Council was held Thursday, July 21, 2016. The Honorable Mayor Kendall W. Lane called the meeting to order at 7:00 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, Stephen L. Hooper, Bettina A. Chadbourne, Philip M. Jones, David C. Richards and Mitchell H. Greenwald were present. Gary P. Lamoureux was absent. The Mayor took a moment to recognize Councilor O'Connor's service. Councilor O'Connor was first elected as a Ward four Councilor by vote of the City Council in 2012 when Councilor Jones moved out of the Ward. Councilor O'Connor completed that unexpired term of office. In 2013, he was reelected by Ward Four constituents to serve another term as Ward Councilor. He has served on the Municipal Services, Facilities and Infrastructure Committee since July of 2012. Councilor O'Connor led the Pledge of Allegiance. A motion by Councilor Greenwald to accept the minutes from the July 7, 2016 meeting was duly seconded. The motion passed with a unanimous vote in favor.

PRESENTATION – RETIREMENT RESOLUTION – DAVID S. GAILLARDETZ

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

NOMINATIONS – AGRICULTURAL COMMISSION AND HERITAGE COMMISSION

The following nominations were received from the Mayor: Mark Florenz to serve as a regular voting member on the Agricultural Commission with a term to expire December 31, 2017, and Jonathan T. Foskett to serve as an alternate member on the Heritage Commission for a term to expire December 31, 2018. The nominations were tabled until the next regular meeting.

COMMUNICATION – GARY CARPENTER – REQUEST FOR WATER AND SEWER ABATEMENT

A communication was received from Gary Carpenter of 169 Church Street requesting an abatement of his water and sewer bill for property located at 169 Church Street. The request was referred to the Municipal Services, Facilities and Infrastructure Committee.

COMMUNICATION – PEG BRUCE/KEENE KIWANIS CLUB – REQUEST TO USE CITY PROPERTY – 350/400 MARLBORO STREET

A communication was received from Peg Bruce of the Keene Kiwanis Club, requesting the use of City property at 350/400 Marlboro Street for the storage of decorations for the annual tree lighting celebration event and the holiday decorations for the downtown. The request was referred to the Planning, Licenses and Development Committee.

PLD REPORT – PROPOSED AMENDMENT TO THE RULES OF ORDER

Planning, Licenses and Development Committee report read recommending that staff work with Cheshire TV to improve the audio quality of Council meetings. 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 – RESCISSION OF RESOLUTION R-2012-05: COUNCIL POLICY – RELATING TO THE MICHAEL E.J. BLASTOS COMMUNITY ROOM

Planning, Licenses and Development Committee report read recommending the rescission of Resolution R-2012-05 to allow Keene ICE to manage the reservations for the Michael E.J. Blastos Room as provided for in the Memorandum of Understanding. 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 – ACCEPTANCE OF DONATION – 2016 COMMUNITY NIGHT

Finance, Organization and Personnel Committee report read recommending accepting the memorandum regarding donations to 2016 Community Night as informational. The report was filed as informational.

FOP REPORT – ACCEPTANCE OF DONATION – DONATION OF LAND OFF PEARL STREET – MICHAEL KAPILOFF

Finance, Organization and Personnel Committee report read recommending that the communication from Michael Kapiloff regarding his proposed donation of land off Pearl Street be accepted as informational. The report was filed as informational.

FOP REPORT – AGREEMENT FOR ADVANCED LIFE SUPPORT INTERCEPT TRANSPORT SERVICE

Finance, Organization and Personnel Committee report read recommending that the City Manager be authorized to do all things necessary to negotiate and execute the new one year Advanced Life Support Intercept Agreements. A motion by Councilor Greenwald to carry out the intent of the report was duly seconded. The motion passed with a unanimous vote in favor.

FOP REPORT – ACCEPTANCE OF JUSTICE ASSISTANCE GRANT (JAG) - 2016

Finance, Organization and Personnel Committee report read recommending that the City Manager be authorized to do all things necessary to apply for and accept a grant of $7,778.50 awarded by the US Department of Justice, Justice Assistance Program. A motion by Councilor Greenwald to carry out the intent of the report was duly seconded. The motion passed with a unanimous vote in favor.

FOP REPORT – ACCEPTANCE OF CIVIL FORFEITURE

Finance, Organization and Personnel Committee report read recommending that the City Manager be authorized to do all things necessary to apply for and accept forfeiture funds in the amount of $1,463.70, awarded to the Keene Police Department from the United States

Department of Justice. A motion by Councilor Greenwald to carry out the intent of the report was duly seconded. The motion passed with a unanimous vote in favor.

FOP REPORT – ACCEPTANCE OF DONATION – SUMNER KNIGHT CHAPEL

Finance, Organization and Personnel Committee report read recommending that the City Manager be authorized to do all things necessary to accept a donation in the amount of $455 and that the money be used by the Parks, Recreation and Facilities Department for the maintenance improvements of the Sumner Knight Chapel. A motion by Councilor Greenwald to carry out the intent of the report was duly seconded. The motion passed with a unanimous vote in favor.

FOP REPORT – ACCEPTANCE OF DONATION – DOG PARK

Finance, Organization and Personnel Committee report read recommending that the City Manager be authorized to do all things necessary to accept a donation in the amount of $35 from Margaret Wittenborg toward the creation of a dog park. A motion by Councilor Greenwald to carry out the intent of the report was duly seconded. The motion passed with a unanimous vote in favor.

FOP REPORT – SPONSORSHIP UPDATE – BANNER PLACEMENTS IN WHEELOCK PARK

Finance, Organization and Personnel Committee report read recommending that the City Manager be authorized to do all things necessary to accept the sponsorship update for banner placement at Wheelock Park as informational. The report was filed as informational.

FOP REPORT – WINCHESTER STREET BRIDGE OVER ASH SWAMP BROOK

Finance, Organization and Personnel Committee report read recommending that the City Manager be authorized to do all things necessary to negotiate and execute a design phase change order with CHA, Inc. for an amount not to exceed $22,486 for a detailed hydrologic and hydraulic study of the Ash Swamp Brook associated with the Winchester Street/Rt. 10 Bridge over Ash Swamp Brook Repair Project. A motion by Councilor Greenwald to carry out the intent of the report was duly seconded. The motion passed with a unanimous vote in favor.

FOP REPORT – PRIMEX^3 CONTRIBUTION ASSURANCE PROGRAM

Finance, Organization and Personnel Committee report read recommending that the City Manager be authorized to do all things necessary to do all things necessary to enter into and execute an agreement extending participation with Primex^3 in a multi-year Contribution Assurance Program through FY19 that provides predictable contributions and stable property and liability insurance coverage. A motion by Councilor Greenwald to carry out the intent of the report was duly seconded. The motion passed with a unanimous vote in favor.

CITY MANAGER COMMENTS

The City Manager began his comments by thanking Assistant City Managers Beth Fox and Rebecca Landry for acting as City Manager during his recent break. He went on to comment that Public Works Director Kurt Blomquist was a panelist at a forum hosted by Congressional District Representative Ann Kuster relative to water infrastructure's role in providing clean drinking water. The Manager went on to recognize Micheal August of Fleet Services for investigating the concept of use of biodiesel for heating City facilities. He continued by announcing that on August 4th at 8:30 AM, a cartegraph vehicle demonstration will be held at 350 Marlboro Street. The Manager went on to announce the construction schedule for public works projects and the status of projects currently underway. In addition, the Manager highlighted some high-profile projects expected to begin construction next season, including the Winchester Street Reconstruction Project. The Manager noted that the Keene Public Library will be acting as a distribution point for the USDA Summer Food Service Program, which provides free meals to children up to age 18 that don't have access to school breakfast and lunch programs during the summer months. The Manager went on to announce that Joel Fedorowicz of Code Enforcement recently passed his ICC Residential Inspector Test. In addition, TJ O'Brien of Code Enforcement also passed the ICC Building Plans Examiner Test last week. The Manager went on to comment that on Friday, July 15th, the Keene State College LINKS Program provided 100 hours of community service to clean up Ashuelot River Park. This is the third year this group has volunteered with the City and the Friends of Ashuelot River Park. He went on to announce that Aaron Cooper of the Fire Department has recently been promoted to the position of Lieutenant- Training Officer effective July 24, 2016. The Manager ended his comments by announcing that Raymond Phillips of the Fire Department was also promoted to the position of Lieutenant- Fire Alarm Officer effective July 31, 2016.

MORE TIME

More time was granted by the Chair for the following items in Committee: Resolution R-2016-25: Relating to Fiscal Policies; and Charter Officer Evaluation Process.

MEMORANDUM – ACTING HEALTH DIRECTOR AND ORDINANCE O-2016-11: RELATING TO FOOD SERVICE ESTABLISHMENT PERMIT FEES

A memorandum was received from the Acting Health Director along with Ordinance O-2016-11: Relating to Food Service Establishment Permit Fees. Ordinance O-2016-11 was read for the first time. The memorandum and the Ordinance were referred to the Planning, Licenses and Development Committee.

MEMORANDUM – ACM/PLANNING DIRECTOR – ORDINANCES O-2016-13, O-2016-14 AND O-2016-15: RELATING TO THE ESTABLISHMENT OF THE MAIN STREET HISTORIC OVERLAY DISTRICT

A memorandum was received from the ACM/Planning Director along with applications to amend the Zoning Ordinance and the Zoning Map. In addition, Ordinances O-2016-13 and O-2016-14: Relating to the Main Street Historic Overlay District, and Ordinance O-2016-15: Relating to the Establishment of Zoning Overlay District – Main Street Historic District were submitted and read for the first time. The memorandum and accompanying applications, along with Ordinances O-2016-13, O-2016-14 and O-2016-15 were referred to the Joint Planning Board and Planning, Licenses and Development Committee.

PLD REPORT AND ORDINANCE O-2016-09: RELATING TO DORMITORY, LODGING OR ROOMING HOUSES AND RESIDENTIAL BOARD AND CARE

Planning, Licenses and Development Committee report read recommending the adoption of Ordinance O-2016-09: Relating to Dormitory, Lodging or Rooming Houses and Residential Board and Care. The report was filed as informational. Ordinance O-2016-09 read for the second time. The Mayor noted it was recently discovered that there are several references to "lodging house" in other sections of the City Code that may need to be adjusted. The Mayor referred Ordinance O-2016-09 back to the Planning, Licenses and Development Committee.

MSFI REPORT AND ORDINANCE O-2016-12: RELATING TO VEHICULAR TRAFFIC AND PUBLIC WAYS

Municipal Services, Facilities and Infrastructure Committee report read recommending adoption of Ordinance O-2016-12. The report was filed as informational. Ordinance O-2016-12: Relating to Vehicular Traffic and Public Ways was read for the second time. A motion by Councilor Manwaring for adoption of the Ordinance was duly seconded. On a roll call vote, with 14 Councilors present and voting in favor the motion passed. Ordinance O-2016-12 declared adopted. Councilor Lamoureux was absent.

FOP REPORT AND RESOLUTION R-2016-26: RELATNG TO REFUNDING BONDS

Finance, Organization and Personnel Committee report read recommending the adoption of Resolution R-2016-26. The report was filed as informational. Resolution R-2016-26: Relating to Refunding Bonds was read for the second time. Discussion followed. A motion by Councilor Greenwald for adoption of the Resolution was duly seconded. On a roll call vote, with 14 Councilors present and voting in favor the motion passed. Resolution R-2016-26 declared adopted. Councilor Lamoureux was absent.

FOP REPORT AND RESOLUTION R-2016-27: RELATNG TO THE REALLOCATION OF BOND FUNDING FROM THE RAILROAD LAND INFRASTRUCTURE AND VICTORIA STREET EXTENSION PROJECTS

Finance, Organization and Personnel Committee report read recommending the adoption of Resolution R-2016-27. The report was filed as informational. Resolution R-2016-27: Relating to the Reallocation of Bond Funding from the Railroad Land Infrastructure and Victoria Street Extension Projects was read for the second time. Discussion followed. A motion by Councilor Greenwald for adoption of the Resolution was duly seconded. On a roll call vote, with 13 Councilors voting in favor. Councilor Sutherland voted in opposition. Resolution R-2016-27 declared adopted. Councilor Lamoureux was absent.

FOP REPORT AND RESOLUTION R-2016-28: RELATING TO EVERSOURCE ENERGY'S PETITION TO PUBLIC UTILITIES COMMISSION FOR DISTRIBUTION RATE TARIFF FOR COST RECOVERY

Finance, Organization and Personnel Committee report read indicating the Committee had failed to recommend that Resolution R–2016-28 be submitted to the City Council for their review and action. A motion by Councilor Richards to carry out the intent of the report was duly seconded.

A motion by Councilor Clark to amend the Committee report to recommend adoption of Resolution R-2016-28 and that it is forwarded to the Public Utilities Commission and Governor's Executive Council was duly seconded. Further discussion occurred. Councilor O'Connor moved the question. The motion was duly seconded. Councilor Greenwald requested the vote be taken by roll call. On a roll call vote, with 14 Councilors present, 12 voted in favor to move the question. Councilors Sutherland and Hansel voted in opposition. Councilor Lamoureux was absent. Councilor Greenwald requested a roll call vote relative to Councilor Clark's proposed amendment on the Committee report. On a roll call vote, with 14 Councilors present, 11 voted in favor. Councilors Manwaring, Sutherland and Hansel voted in opposition. The motion to amend the Committee report carried. Resolution R-2016-28: Relating to Eversource Energy's Petition to Public Utilities Commission for Distribution Rate Tariff for Cost Recovery was read for the first time. A motion by Councilor Filiault for adoption of the Resolution was duly seconded. Further discussion followed. As a point of order, Councilor Kahn inquired whether tabling the Resolution until a date certain would be advisable. The Mayor responded the PUC is expected to issue their opinion in the fall. It was very possible that that opinion – whatever it is – will be appealed to the NH Supreme Court. It could well be a year and a half before the substance of the matter is at hand. Councilor Filiault moved the question. Hearing no objection, the Mayor moved the question. Relative to the motion on the floor calling for adoption of Resolution R-2016-28, on showing of hands, with 11 voting in favor and Councilors Manwaring, Sutherland and Hansel opposed, the motion carried. Resolution R-2016-28 declared adopted. Councilor Lamoureux was absent.

ADJOURNMENT

As there was no further business, the Mayor adjourned the meeting at 8:33 PM.

A true record, attest: Patricia Little

City Clerk

City of Keene, N.H.
Transmittal Form

July 21, 2016

TO: Mayor and Keene City Council

FROM: Kendall W. Lane, Mayor

ITEM: B.1.

SUBJECT: Confirmations - Agricultural Commission and Heritage Commission

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COUNCIL ACTION:
In City Council July 21, 2016.
Tabled until the next regular meeting.

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

AGRICULTURAL COMMISSION
Mark Florenz, regular, slot 2 Term expires December 31, 2017
Keene, NH

HERITAGE COMMISSION
Jonathan T. Foskett, alternate, slot 8 Term expires December 31, 2018
Keene, NH

ATTACHMENTS:

Description

Background information

July 7, 2016

Mayor Kendall W. Lane
3 Washington St.
Keene, NH 03431

Dear Mr. Mayor,

I write to you seeking nomination to the Keene Heritage Commission. I have been a Keene resident for 5 years, and have been looking for a way to be more involved in the community. I was made aware that there was an opening as an alternate on the Keene Heritage Commission and after attending a meeting, I believe I would make a helpful and valuable addition that can assist in the Commission's goal of preserving Keene's historic, cultural, aesthetic, and archaeological resources.

By way of background, I am originally from Hingham, MA and after attending Boston College and a brief stint in an IT career, I moved to New Hampshire to attend UNH Law (formerly Franklin Pierce Law Center). At UNH Law, I was the Editor in Chief of the UNH Law Review, graduated in the top 5% of my class, was the Class of 2012's commencement speaker, and completed the Daniel Webster Honors Program (resulting in automatic admission to the NH Bar upon graduation).

I moved to Keene before my third year of law school to commence an externship (academic credit for unpaid internship) with C&S Wholesale Grocers, Inc. which resulted in a job offer. I have been working for C&S's legal team since then, currently holding the position of Senior Staff Attorney. In this position I am responsible for all legal issues arising from over 2,000 independent customers across the country as well those arising from 2 of our major chain customers with which we do several billion dollars' worth of business each year. Through my time at UNH Law and C&S I have had experience with event planning, fundraising, real estate transactions, virtually every type of contract necessary to run a business, external and internal communications, and constant negotiations, all of which I believe are directly pertinent to the Keene Heritage Commission.

Beyond C&S, my connections to Keene started a few years prior to actually living here. My wife (Amanda) worked for Keene State beginning in 2009 and currently works for Antioch University's Keene Campus. We have found Keene to be an ideal environment to start our family. We have a 2 year old (Archer) and another addition to the family due in November. Given the opportunity, I would hope that my participation on the Keene Heritage Commission would help maintain the Keene cultural environment that my family and I are now happy to call our home.

Please let me know if you have any questions regarding my nomination request.

Sincerely,

Jonathan T. Foskett

External Communication
Transmittal Form

August 2, 2016

TO: Mayor and Keene City Council

FROM: Patricia A. Little, City Clerk

ITEM: C.1.

SUBJECT: Katherine Snow - Resignation - Juvenile Conference Committee

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ATTACHMENTS:

Description

Snow Communication

BACKGROUND:

Katherine Snow is resigning as a regular member of the Juvenile Conference Committee. She has been a member of the JCC since February 1989.

May 11, 2016

Honorable Mayor and City Council
City Clerk
3 Washington St.
Keene, NH 03431

I have notified Elizabeth Brown and am now submitting my resignation from Juvenile Conference Committee to you.

I have been pleased and honored to serve the City in this capacity for many years. I couldn't begin to count the number of youth whose cases I've heard, or even the number of dedicated community members I've deliberated with since my initial appointment. It has been a wonderful experience and I thank you, and those who came before you, for this opportunity.

Thank you.

Katherine Snow
54 West Surry Road
Keene, New Hampshire

External Communication

Transmittal Form

August 2, 2016

TO: Mayor and Keene City Council

FROM: Patricia A. Little, City Clerk

ITEM: C.2.

SUBJECT: Barry LeClair - Resignation - Assessor's Board

RECOMMENDATION:

ATTACHMENTS:

Description

LeClair Communication

BACKGROUND:

Barry LeClair is resigning his position on the Assessor's Board. He has been a member of the Board since January 2010.

JUL 2 0 2016

July 20, 2016

To Kendall Lane, Mayor of Keene, NH

This letter is to inform you that I, Barry LeClair, will be relinquishing my position on the Board of Assessors for the City of Keene effective December 31, 2016.

My seven years on the Board has reinforced my opinion that the process in place is fair to all the property owners of Keene.

I also do not want to be considered as on alternate board member as I feel it is best to give someone else the experience of serving.

It has been a privilege to work with the other board members and also the employees of this department.

Thank you, Barry LeClair

Barry LeClair

Copy; Dan Langille, CNHA

City Assessor

City of Keene, N.H.
Transmittal Form

July 27, 2016

TO: Mayor and Keene City Council

FROM: Municipal Services, Facilities, and Infrastructure Committee

ITEM: D.1.

SUBJECT: Periodic Update from the Juvenile Conference Committee

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RECOMMENDATION:
On a vote of 4-0, the Municipal Services, Facilities, and Infrastructure Committee recommends the periodic report from the Juvenile Conference Committee be accepted as informational.

BACKGROUND:
Chair Manwaring invited Elizabeth (L.B.) Brown to speak. Ms. Brown, Youth Services Manager, stated that the Juvenile Conference Committee originated in the early 1970's through the NH State Probation Department. She continued the JCC was made up of community members. When the caseload increased the City took it over. Today the Youth Services Department manages the JCC and the court diversion program. The Juvenile Diversion program has come a long way. It has been accredited since 2012. They have a tremendous amount of youth (first time offenders) coming to diversion instead of court.

Ms. Brown continued that the JCC Chair is Jerry Kaufman who recently was injured and hence was not able to attend this evening. She continued that the JCC is a very dedicated committee. The caseloads now are very intense, as are the family issues. Regarding the different offenses and crimes that come through, the case load has not really changed – the offenses are still generally simple assault, possession of marijuana, and criminal mischief, but the intensity of the family history and juvenile history has intensified. For example, 35% of youth have special needs, and 45% have mental health needs.

Councilor Hooper arrived at 6:05 PM.

Ms. Brown continued that about half of the youth admit to using substances, alcohol, and cigarettes. This is a three-month program. They are pushing out the length of stay for youth so they can successfully work with them and their families. When a youth comes in with an offense like shop lifting, for example, the committee tries to help the youth and family get back on their feet, and find resources, which are hard to find in NH. Last year, 98% of youth in JCC successfully completed the program. The caseload was 38 but it felt like 150 because the case lengths were extremely long, but it was worth it. The committee is dedicated to helping youth and families to find those resources and help fill in the gaps. Parents have written multiple letters and have stated to the committee how meaningful it is and how grateful they are for this program because they understand what court is like. The JCC is really making a difference in the sense that youth get to see committee members really invested in them, and stating how important it is for youth to be healthy and productive citizens of the community.

Ms. Brown continued that the JCC has each youth sign a contract and they have the youth reflect on their actions and the consequences for them and the community, and when they are making amends, to understand how important restorative justice is for the victim and the community. Youth make impulsive decisions but at the review hearing the JCC is satisfied that they are getting the message. Almost every youth does community service. The wonderful community service site supervisors understand, mentor, and bond with the youth and they understand that people make mistakes and they can find their strengths. She continued that there are no statistics yet, but over the years, she would say that by now at least 25% of all successful youth go on to continue volunteering or are hired at their sites.

Ms. Brown concluded that they are really seeing an impact of the program. It catches people at an instant in their lives and they are able to really turn it around, be successful citizens, pay back the community, move on and be positive members of this community and other communities.

Councilor O'Connor stated that he worked with the JCC in the past when he was in law enforcement. He continued that he did not realize the program has been around since the 1970's. It has evolved since then. He thanked Ms. Brown and the other people involved with the JCC for their service.

Councilor Carl Jacobs, congratulated Ms. Brown on the success of the program. He asked how success is measured. Ms. Brown replied that JCC gives each youth a contract, and the success rate is dependent upon the youth completing to the contract, which the JCC determines. There is a list of responsibilities and expectations that the committee gives the youth, on a case by case basis determining what will be best. There is a review hearing three months later to demonstrate success in completing the requirements. Most of the youth understand that this is serious and it is a second chance. They appreciate not going to court and not having a juvenile record. Once it is completed the charge is dismissed and they do not have to go to court for that charge.

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

On a vote of 4-0, the Municipal Services, Facilities, and Infrastructure Committee recommend the periodic report from the Juvenile Conference Committee be accepted as informational.

City of Keene, N.H.
Transmittal Form

July 27, 2016

TO: Mayor and Keene City Council

FROM: Municipal Services, Facilities, and Infrastructure Committee

ITEM: D.2.

SUBJECT: Status of Dog Park

RECOMMENDATION:
On a vote of 4-0, the Municipal Services, Facilities, and Infrastructure Committee recommends that the dog park report be accepted as informational.

BACKGROUND:
The City Manager stated that in June, staff presented the MSFI Committee with a report, prepared by Planning Director Rhett Lamb, about the status of the dog park. He continued that the report gave the history of the choice of location that was made and why; and why the dog park group thought it was not a good choice. Staff asked the City Council to give them an opportunity to see if there was a location in Wheelock Park that would work. They amended the motion that was on the floor to allow staff to also look beyond Wheelock Park.

Since then, there have been some meetings between staff and the dog park group. He continued that they have identified two areas in the park that might work. One of those is not a good choice from the standpoint of the dog park group. The other one is more favorable to them. Either one would require a significant amount of work to see if it is viable. The dog park group would be looking to see what the elements are to make that work, and pricing it out. Staff suspects the price may drive whether the dog park group wants to do that. There are no changes right now; this is just an update. Staff will continue to work with the dog park group. The City Manager continued that he has a meeting scheduled with them for a couple hours on Monday to go through details and also look at other sites in Keene. There was previously a review of sites and they could not find anything, but they want to give it another try and see if they can find something that works. If the City Council has no issues with this they will continue down this path.

Chair Manwaring replied that it sounds good to her. She asked if committee members had questions. Hearing none, she asked for public comment.

Mary Shea, of 20 Bent Court, asked how the meetings are going. She asked if they are still considering the end of Bent Court as a possible site. The City Manager replied no, the City Council has already clearly made a decision on Bent Court.

Jim Gardner, of 27 Birch Street, requested that the MSFI Committee ask the City Manager to clarify what the process will be for public input when a site is selected.

The City Manager replied that the City Council has already made a decision about the site. He continued that it was the dog park group that said the site would not work for them. Should a site be acceptable to the group, the City would bring it back to the City Council for approval. The City Council would then be knowledgeable about all of the items, questions, and issues. Staff's role is to assist the group with finding a site. The design, details, how to raise money, and so on and so forth, is the responsibility of the dog park group itself.

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

On a vote of 4-0, the Municipal Services, Facilities, and Infrastructure Committee recommend that the dog park report be accepted as informational.

City of Keene, N.H.

Transmittal Form

July 28, 2016

TO: Mayor and Keene City Council

FROM: Finance, Organization and Personnel Committee

ITEM: D.3.

SUBJECT: Acceptance of Donation - AAU Basketball – Parks, Recreation and Facilities Department

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RECOMMENDATION:

On a vote of 3-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept the donation of $300 from the NH Gym Rats AAU Basketball program and that the money is used by the Parks, Recreation and Facilities Department.

BACKGROUND:

Chair Greenwald welcomed Andy Bohannon, Parks, Recreation and Facilities Director forward. Mr. Bohannon noted before the Committee was a $300 donation from the AAU Basketball group. He stated the group practices at the City Recreation Center throughout the year. This year, the AAU welcomed approximately 150 teams to the facility for their annual tournament. AAU charges a fee to each team and those fees are used to give back to the community of Keene. This $300 has been donated for use of equipment at the Recreation Center.

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

On a vote of 3-0, the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to accept the donation of $300 from the NH Gym Rats AAU Basketball program and that the money is used by the Parks, Recreation and Facilities Department.

City of Keene, N.H.
Transmittal Form

July 28, 2016

TO: Mayor and Keene City Council

FROM: Finance, Organization and Personnel Committee

ITEM: D.4.

SUBJECT: Cheshire Rail Trail III - Scope & Fee Increase

RECOMMENDATION:
On a vote of 3-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to execute a contract with CHA Consulting, INC. for engineering services for the Cheshire Rail Trail III project in an amount not to exceed $96,245.54.

BACKGROUND:
Chair Greenwald welcomed William Schoefmann, Mapping Technician, who provided a map of the project area to the Committee. Mr. Schoefmann indicated the staff requests that the Committee recommend the City Manager be authorized do all things necessary to execute a contract with CHA Consulting for engineering services for the Cheshire Rail Trail III project in an amount not to exceed $96,245.54.

Mr. Schoefmann continued that he was before the Committee in April seeking approval for a contract at a lesser amount. However, after negotiations with CHA, the selected firm, they realized the estimate requires an increase in scope and fee to account for a lack of in-house surveying and engineering support. These services are currently unavailable on the part of the Public Works Department due to insufficient staff. The overall project cost will not change or increase, but this portion of the project requires more funding to execute design services.

Chair Greenwald asked why this cannot take place in-house. Mr. Schoefmann indicated the Engineering Department currently has other obligations and is understaffed. Mr. Blomquist, Public Works Director, indicated some staff has left or changed positions in the City so they are short-staffed and cannot complete this work as originally planned.

Councilor Jacobs questioned if there is no increase to the project cost, will the City now be paying for something they would not have otherwise because it is being outsourced. Mr. Blomquist replied when the project was originally approved it was planned to be executed entirely with outside resources. When the original CIP project was approved several years ago and approval was obtained from DOT, they thought the cost of this part of the project would be less because it would be conducted in-house. In that case the money would have been used elsewhere in the project or not spent by DOT. Now, however, with the current staffing difficulties, they are unable to conduct the scope in-house. There is no change in overall cost; they have simply reverted back to the original project.

Chair Greenwald noted something he found troubling. He indicated this new amount requested is 25% of the total project cost listed at approximately $411,000. Mr. Blomquist indicated this is not uncommon. He said because this is federal money, there are more obligations required with regard to paperwork, activities, and reviews. Often, even with simpler projects, the engineering costs total 25% or more due to those federal requirements.

Councilor Powers questioned if this is just a matter or engineering design, or oversight as well. Mr. Blomquist replied that oversight will be a part of the next contract.

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

On a vote of 3-0, the Finance, Organization and Personnel Committee recommend that the City Council authorize the City Manager to do all things necessary to execute a contract with CHA Consulting, INC. for engineering services for the Cheshire Rail Trail III project in an amount not to exceed $96,245.54.

Chair Greenwald clarified that the City is paying 20% of the $96,245.54. Mr. Schoefmann replied yes, because the City is paying 20% of the total project cost.

Councilor Kahn arrived at 6:41 PM.

City of Keene, N.H.
Transmittal Form

July 28, 2016

TO: Mayor and Keene City Council

FROM: Finance, Organization and Personnel Committee

ITEM: D.5.

SUBJECT: 2016 Road Rehabilitation Project - Construction Change Order

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RECOMMENDATION:

On a vote of 4-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to negotiate and execute a construction change order with BDM Sweeper Services, INC. for an amount not to exceed $116,813 for the 2016 Road Rehabilitation Project Phase I.

BACKGROUND:

Chair Greenwald welcomed Don Lussier, City Engineer forward. Mr. Lussier informed the Committee that the change order under consideration will allow acceleration of the paving program. He indicated they had broadened the scope of work through the CIP project to do work in summer 2016 and spring 2017. The bids for the summer contract are at multi-year lows. He said the price they are currently paying for pavement is the lowest he has seen in his career. The contractor is willing to hold unit prices and complete the road list from the FY2017 CIP. Some of the money saved will be used for more paving, including Lee and Langley Roads. Essentially they will be doing work planned for next spring now with the low bid prices.

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

On a vote of 4-0, the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to negotiate and execute a construction change order with BDM Sweeper Services, INC. for an amount not to exceed $116,813 for the 2016 Road Rehabilitation Project Phase I.

City of Keene, N.H.
Transmittal Form

July 28, 2016

TO: Mayor and Keene City Council

FROM: Finance, Organization and Personnel Committee

ITEM: D.6.

SUBJECT: City Manager Recruitment

RECOMMENDATION:
On a vote of 4-0, the Finance, Organization and Personnel Committee recommends that the information on the City Manager recruitment process be accepted as informational.

BACKGROUND:
Chair Greenwald indicated this matter is to correct reports in the Keene Sentinel about the City Manager recruitment process. Chair Greenwald welcomed Mayor Lane and Beth Fox, Assistant City Manager/Human Resources Director.

Mayor Lane indicated he would like to cover five items regarding the City Manager recruitment process to bring the Committee and the news media up-to-date with accurate information.

First, Mayor Lane indicated the City Council has approved the salary structure for the position in conjunction with the budget approved in June. The City Manager position will have a salary between $122,351- $152,497. There are six levels within that range. Where the new City Manager will fall within that range depends on their experience and will be negotiated.

Second, Mayor Lane indicated that in conjunction with the budget, the City Council approved a budget for FY 2016-2017 for the City Manager recruitment position in the amount of $40,750. Whether that money will be spent remains to be seen and it is possible it will not all be spent. This depends on the process the City Council and the City Manager Selection Committee determine to follow for recruitment.

Third, Mayor Lane noted the City Manager Selection Committee has determined that the residency requirement of the City Manager position will not change from the past process. The City Manager selected will be expected to live in Keene. They feel this is important so the City Manager is accessible in case of emergency and also so the new Manager can integrate into the community.

Fourth, Mayor Lane referred to the RFQ before the Committee for a recruiter selection. They are asking for a menu of options to consider from a particular candidate who wants to be hired by the City as a recruiter. After reviewing that menu, the options, and the associated costs the Selection Committee will decide whether to hire a recruiter at all and what their role will be. There may be roles a recruiter is asked to perform or those same roles may be done in-house. The decision to hire and what the role of a recruiter would be has not been finalized. The RFQ is to help make that decision.

Fifth, Mayor Lane indicated the timeline in the packet is based upon not hiring a recruiter, and the process taking place in-house. If a recruiter is hired and asked to perform certain functions, the timeline may be modified. The timeline is included to allow everyone to understand where they are in the process of selecting a new City Manager. Mayor Lane added it is important to note that the current City Manager is under contract until December 2017 and they anticipate honoring that contract. Mayor Lane continued that the selection process takes that into account and allows for a short period of overlap between Mr. Kopczynski's departure and the new City Manager beginning.

Ms. Fox indicated the Selection Committee has worked to draft the RFP which will go out next week with anticipation of responses by the end of the month. Mayor Lane stated he is hopeful the media will see this so they have accurate information to report in the future. Chair Greenwald added a correction to media reports. He clarified they have not been searching for a new City Manager for the last year, only discussing the process. The search is about to commence. Mayor Lane added that also, contrary to media reports, this is only the second time a search has been conducted, not the third as reported.

Councilor Kahn added that in accepting this as informational, the Committee should make sure to inform the City Manager or Assistant City Manager if any other changes are needed before the RFP is posted. Chair Greenwald replied that this is simply to make sure the Council is informed. Councilor Jacobs added that these documents are on the City website and if people have questions about the process, they should reference these documents. Mayor Lane added that the video and minutes of this meeting are also public record so each Councilor should now have this information.

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

On a vote of 4-0, the Finance, Organization and Personnel Committee recommend that the information on the City Manager recruitment process be accepted as informational, and shared with the full Council.

City of Keene, N.H.
Transmittal Form

July 27, 2016

TO: Mayor and Keene City Council

FROM: Municipal Services, Facilities, and Infrastructure Committee

ITEM: G.1.

SUBJECT: Request for Abatement of Water Shutoff Fee – 25 American Avenue

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RECOMMENDATION:
On a vote of 4-0, the Municipal Services, Facilities, and Infrastructure Committee recommends the abatement request for the water shutoff fee at 25 American Avenue be placed on more time.

BACKGROUND:
Assistant City Manager Elizabeth Fox reported that the petitioner who requested the abatement of the water shutoff fee from 25 American Way indicated they were unable to be present for the meeting.

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

On a vote of 4-0, the Municipal Services, Facilities, and Infrastructure Committee recommend the abatement request for the water shutoff fee at 25 American Avenue on more time.

City of Keene, N.H.
Transmittal Form

July 27, 2016

TO: Mayor and Keene City Council

FROM: Municipal Services, Facilities, and Infrastructure Committee

ITEM: G.2.

SUBJECT: Request for Water and Sewer Abatement - 169 Church Street

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RECOMMENDATION:
On a vote of 4-0, the Municipal Services, Facilities, and Infrastructure Committee recommends the abatement request for water and sewer be placed on more time.

BACKGROUND:
Gary Carpenter distributed copies of a handout to the MSFI Committee members. He stated that he owns169 Church Street in Keene, and lives at 39 Lounsbury Lane in Peterborough.

Mr. Carpenter stated that he has owned the property since 2007. He continued that he "is a poor land owner" because he was taking in less than desirable people. One person in particular was collecting Social Security and did not have the rent to pay. He was sending this tenant to City Hall to get some sort of assistance. He did not do credit checks or anything that was required of a good land owner. In 2015 his home was going to be foreclosed on. He applied for a loan modification in January 2015 and was accepted. He continued that he made mistakes even with the loan modification. In the winter the property became vacant and it has been vacant since then. There was a two alarm fire in May and vandalism four or five times. The only expense he could not get forgiven was the water and sewer bill, which is about $5,000. He continued that this is due to his poor management, and also due to the fact that the people he took in end up squatting. They stayed in the apartment building for quite a while. His preference is not to take people to court, but he finally did, because the tenant owed him about $10,000. Mr. Carpenter continued that he did not ask the tenant for money - he just wanted him out so he could move on. Mortgage payments went up. He owes $290,000 now and it is only worth $240,000.

Mr. Carpenter continued he has worked part time at the Phoenix House for 11 years. He asked the director about starting another sober living environment and she agreed. He tried to change the 169 Church Street property to a Warrior Addiction Support Home. The Public Works Department gave him a break and said he could pay $75 a month. He could not afford even that. He could not get another loan. He did creative financing with the mortgage company. He had to pay the first four months, and took it out of his own home. He has not had any tenants there to cash in to pay this $5,000 bill. The general contractor will work with him. The Code Enforcement Department said he could not operate for the time being because of FEMA. Somehow they managed, after three months of being shut down, to do a partial occupancy. If he can get this abatement he can get his water back on so the general contractor can operate. He will pay the whole $5,000 after the fact if he has to, once he gets tenants in there.

Mr. Carpenter continued that he was requesting abatement due to the adversity he has had to go through. He was not blaming anyone. He said that it was the second year that the home had been vacant, so he was not being charged taxes for the structure itself. Whatever the MSFI Committee sees fit to allow, would be fantastic. He would appreciate having his water turned on as soon as possible so the contractor can begin work. Once he can get tenants he will start the Warrior Veteran Recovery program, with a holistic approach. He can do this and already had stake holders, like a company teaching nutrition classes, a person from Peterborough to do life and business coaching, and a good line-up of people willing to help, but he needed some help with taking care of this $5,000 debt.

Ms. Fox stated that Mr. Carpenter presented a complex situation with a variety of factors that led to where he is today. She continued that staff had not had the opportunity to work through the correspondence from him, and really look at the issues, to develop alternative recommendations to the MSFI Committee for their consideration. She recommends placing it on more time so staff can look at the issues.
Mr. Carpenter stated that in the last three quarters the water and sewer bill went up to about $1,000, because the tenants were leaving the toilet on. He continued that he had someone from the City come and say what the problem was. The water and sewer bill used to be less than $300 per quarter. It went up to $914 on September 24, 2014, and then when he received the loan modification in February 2015 when tenants were there and not paying rent, they did not take care of things.

Chair Manwaring stated that this situation sounds complicated. She asked the committee members if they are okay with placing this on more time. Councilor Lamoureux replied that he thought it was best to put it on more time, so staff can give some recommendations to them so they have something to look at.

Councilor O'Connor made a motion for the Municipal Services, Facilities, and Infrastructure Committee to place the request for water and sewer abatement on more time. Councilor Lamoureux seconded the motion.

Councilor Lamoureux asked about the timing. Ms. Fox stated that one cycle in this case puts it towards the end of August.

Mr. Carpenter stated that he wanted the water to be turned on like $50 or $100 worth, so the contractor can work with his crew to do interior work. There are no tenants there now, so there would not be any problem. If the water was turned on now, they can pay the bill initially, get it sorted out, and then take it from there.

Councilor Hooper stated that he empathized with Mr. Carpenter's situation and it was complex but he was concerned with setting a precedent with going forward with this before they have the chance to go through this thoroughly.

Mr. Carpenter asked if he can go back to the Public Works Department and negotiate to have the water turned on again. The City Manager replied that that was one reason for the complexity. He continued that there are permit issues, financial issues, and history, and all of this information staff needs to consider. He understands what Mr. Carpenter wants to do, and there are other ways of obtaining water for the contractor. No one was in the building, so there were no health issues with the water being off. Everyone wants to see the building brought back to life if it can be. It was deteriorated from the fire. That was the type of information staff wanted to bring back to the MSFI Committee. When the City receives a request such as Mr. Carpenter's, the normal process is to place it on more time. The item gets placed on a City Council Committee agenda right away, and sometimes staff can react right away, but many times they cannot. They need to get everyone together and discuss all of the information. He does not know of a mechanism to allow Public Works Director Kurt Blomquist to address this right now, but certainly he can talk with Mr. Carpenter along those lines.
On a vote of 4-0, the Municipal Services, Facilities, and Infrastructure Committee recommend the abatement request for water and sewer be placed on more time.

City of Keene, N.H.
Transmittal Form

July 27, 2016

TO: Mayor and Keene City Council

FROM: Planning, Licenses and Development Committee

ITEM: G.3.

SUBJECT: Request to Use City Property - 350/400 Marlboro Street

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RECOMMENDATION:
On a vote of 3-0, the Planning, Licenses and Development Committee recommends the request from the Kiwanis Club be placed on more time to provide staff an opportunity to identify some options.

BACKGROUND:
Chair Jones introduced the request by noting the issue with this request is the Police Department is using much of this space for training and lost-bicycle storage. He noted staff would like the opportunity to speak with the Police Department to see if anything can be done so the Kiwanis Club could use this space for storage.

City Manager, Medard Kopczynski stated another issue with is the Kiwanis Club is looking for a yearly approval and the City has always done short term approvals. The other issue is the restructuring for Keene Ice and there are concerns about security at the back of the site. He noted the bigger issue is the security to make sure the Police Department is comfortable with the arrangement.

Peg Bruce 15 Winter Court stated the Kiwanis Club currently pays for two storage units to store their supplies and they would like to remove supplies that pertain to tree lighting from these units. They currently pay $660 yearly for these units. She noted these items are used for tree lighting and hence the reason for the request. Ms. Bruce stated she didn't quite understand the security issue. Chair Jones explained individuals from the Kiwanis Club will be going into areas where the Police Department has items stored.

Councilor Sutherland asked whether there wasn't another space between Keene Ice and Public Works. Mr. Kopczynski stated this is why staff is asking for additional time for conversation.

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

On a vote of 3-0, the Planning, Licenses and Development Committee recommend the Kiwanis Club request be placed on more time to provide staff an opportunity to identify some options.

City of Keene, N.H.
Transmittal Form

TO: Mayor and Keene City Council

FROM: Planning, Licenses and Development Committee

ITEM: G.4.

SUBJECT: Ordinance O-2016-09: Relating to Dormitory, Lodging or Rooming Houses and Residential Board and Care

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RECOMMENDATION:
On a vote of 3-0, the Planning, Licenses and Development Committee recommends placing Ordinance O-2016-09 on more time.

BACKGROUND:
Chair Jones asked whether this item was on the Council agenda. Attorney Mullins stated it was referred back from the Council to this Committee. Attorney Mullins stated he would recommend the Committee place this item on more time. He stated it came back for a number of reasons, the least of which is to make sure any other provisions in the City Code which also use the “lodging house” designation are consistent. The other reason for the referral back to the Committee is that an accompanying fee ordinance for the Fire Department has not yet been introduced. The Fire Department is going to have to come back with a Fee Ordinance and staff feels this should move forward as a package.

Chair Jones stated he has been opposed to this Ordinance for a number of reasons. The Chair clarified what a property owner would have to do in this instance is to meet the fire and building code and they could obtain a license from staff without having to go before the Council. Attorney Mullins agreed and added staff was directed by the PLD Committee in the first instance to bring this item forward in this format. Attorney Mullins went on to say if they meet the life safety code, health code, building code and zoning code they could obtain a license. Chair Jones stated he is still opposed to the Ordinance noting this issue came up at the Joint Committee level on two different instances and there was a lot of concern raised at that time. Chair Jones stated the fact that you no longer have to go before Council, but meet the requirements for approval administratively will cause a lot of issues. The Councilor noted he felt there will be an influx of people applying for this license, especially those that rent to college students.

The Chair further stated that the matter not going before the Council takes away the advertising component so the public is informed. He stated he would like this item to stay with the Council and further that the Ordinance is expanded to require that abutters are notified. He further stated only four of these licenses are done in a year at the present time and hence did not feel it would be too time consuming for the Council to retain this license. Councilor Sutherland agreed if this is something which came before the Joint Committee the matter needs to be discussed in that context.

Councilor Hansel asked if a property owner already has a multi-unit property what the advantage would be to turning it into a lodging housing. Mr. Kopczynski explained the term "lodging house" has been in the City Code since the 1940's and so was the term "boarding house". The term "boarding house" was eliminated from the City Code because it was synonymous with lodging house. In the history of Keene, a working class community, boarding houses were very common and evolved into those properties which were fraternities or sororities; mostly but not entirely. There are four in total in the community, two have licenses and the City is waiting on the other two to decide how the City wishes to move forward with this Ordinance.

Mr. Kopczynski went on to say a lodging house is a property which has more than four but less than 16 unrelated people living in it and they share cooking facilities. There may be an opportunity for people to want to reinvigorate that market such as with the possibility of bringing Airbnb into the community, but he has heard issues with this nationally. The Manager noted the markets are changing. He added if the Council is looking for more control, staff should be so advised so they can cease what they are doing or put something in the ordinance to provide for some additional control. He added to create a lodging house you need a special exception.

Chair Jones recalled giving a license to the United Church of Christ but there were conditions placed on this license, such as stipulating that it is an overflow facility for 100 Nights Shelter and that it had to be managed by 100 Nights Shelter. He stated if this license is managed by staff these types of conditions cannot be placed on this license. The Chair stated he could see one of these houses opening up for instance on Adams Street, across from Wheelock School or across from Franklin School with the potential of turning into what used to be called "Flop Houses" back in 1930's. He questioned whether this is not something we would want to avoid next to a school where people pay for a room and just hang out all day.

Attorney Mullins explained a lodging house is a defined use within the zoning ordinance. Hence, if someone meets the conditions and obtains a special exception they can open a lodging house. The question raised by the Chairman is: once a license is obtained what further conditions can be placed on it. The Attorney stated the Council could not prevent a lodging house from going into a zone where a lodging house is permitted under the zoning code but the question is what other conditions can be placed on them once a license is granted.

Councilor Hansel noted there was also enforcement issues associated with this, where the Fire Department was checking on the life safety codes but could not prevent an owner from obtaining a license. Mr. Kopczynski stated in this case the Fire Department would issue an operating permit. The licensure process the City has is two-fold; the inspecting Authority had the opportunity to look at the residences and make sure there were no significant issues. The other was to get input from the Police Chief as to whether there were other types of problems. He noted the City Council licenses are enforced by the Police Department in the first instance and the reason it was done in this manner is because of the significant problems the City was having with fraternities off campus. The Manager added even today, when the City goes into these types of residences there are still some significant issues they identify.

Chair Jones stated his concern is there is no notification process, there is no public input process and there is no way to place specific conditions.

Councilor Sutherland felt the concerns outweigh what the City is trying to fix. He felt taking this item away from Council and placing it with staff might not effectively address some of these concerns. The Councilor talked about the rising homeless population which we have seen moving to Keene. He further stated if he lived in a neighborhood which was zoned for a lodging house but he was not notified of a license given to a property owner, he would be concerned about such an addition as a taxpayer.

Councilor Hansel pointed out, notice would happen because a lodging house would need a Special Exception from the Zoning Board of Adjustment. Attorney Mullins stated this would be something he would need to check into, but added it is clear this Committee wants to have more discussion on this item. Staff was under the impression this item will be placed on more time. The Attorney felt it was important to have the Police and Fire Chiefs present. Staff should also look at the Zoning Ordinance regarding the notice issue. He added some of these questions might already be addressed in the existing Zoning Ordinance. He felt it would be prudent for all staff who could weigh in on this item to be present to address some of these questions.

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

On a vote of 3-0, the Planning, Licenses and Development Committee recommend placing Ordinance O-2016-09 on more time.

Councilor Hansel stated he would like more time to explore this item and asked whether it would be prudent to place a time limit on this. Mr. Kopczynski stated this item was not time sensitive.

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

On a vote of 3-0, the Planning, Licenses and Development Committee recommend accepting the accompanying report as informational.

City of Keene, N.H.
Transmittal Form

August 1, 2016

TO: Mayor and Keene City Council

FROM: Thomas P. Mullins, City Attorney

ITEM: H.1.

SUBJECT: Relating to the Partner City Committee

RECOMMENDATION:
That the City Council refer the attached Ordinance O-2016-16, Relating to the Partner City Committee to the Finance, Organization and Personnel Committee for consideration and recommendation back to the City Council.

ATTACHMENTS:

Description

Ordinance O-2016-16

BACKGROUND:
In an effort to streamline fiscal policies, it was unanimously voted at the July 28, 2016, meeting of the Finance, Organization and Personnel Committee to remove the section pertaining to the Partner City Committee from the fiscal policies resolution and to place it in the appropriate section of the City Code. Attached is the required Ordinance, which will facilitate this change.

ORDINANCE

O-2016-16

CITY OF KEENE

In the Year of Our Lord Two Thousand and Sixteen

AN ORDINANCE Relating to the Partner City Committee

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 Section 2-1097, in its entirety, and inserting the following new Section 2-1097, Functions and guidelines, to Chapter 2, Administration, Article V, Boards and Commissions, Division 20, Partner City Committee, as follows:

Sec. 2-1097 – Functions and guidelines

The functions and guidelines in this section are established for the conduct of the Partner City Committee.

(1) The committee is authorized to conduct fundraising events to further its purpose;

(2) The committee shall receive gifts and donations in the name of the City with prior approval of the City Council;

(3) General Fund appropriations shall be accounted for and expended separately from donations and proceeds from fundraising activities;

(4) 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 fundraising activities, for activities associated with its 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.

(5) The committee shall perform such other related functions as required by the City Council or as requested by the City Manager.

____

Kendall W. Lane, Mayor

City of Keene, N.H.
Transmittal Form

August 1, 2016

TO: Mayor and Keene City Council

FROM: Thomas P. Mullins, City Attorney

ITEM: H.2.

SUBJECT: Relating to Environmental Preferred Purchasing and Collaboration

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RECOMMENDATION:

That the City Council refer the attached Ordinance O-2016-17, Relating to Environmental Preferred Purchasing and Collaboration, to the Finance, Organization and Personnel Committee for consideration and referral back to City Council.

ATTACHMENTS:

Description

Ordinance O-2016-17

BACKGROUND:

A fiscal policies workshop was held on July 14, 2016. It was decided to remove the section pertaining to Environmental Preferred Purchasing and Collaboration from the fiscal policies resolution and to place it in the appropriate section of the City Code. The attached Ordinance will accomplish this change.

ORDINANCE

O-2016-17

CITY OF KEENE

In the Year of Our Lord Two Thousand and Sixteen

AN ORDINANCE Relating to Environmental Preferred Purchasing and Collaboration

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 inserting the following new Section 2-1341, Environmental Preferred Purchasing and Collaboration, to Chapter 2, Administration, Article IX, Purchasing, as follows:

Sec. 2-1341 - Environmental Preferred Purchasing and Collaboration

(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.
  - (1) Practices will be developed, implemented, and adhered to that will reduce waste by increasing product efficiency and effectiveness.
  - (2) Products that minimize environmental impacts, toxins, pollution, and hazards to worker and community safety will be given preference to the greatest extent practicable.
  - (3) To the greatest extent possible and within budgetary constraints, the City of Keene will purchase products that:
    - a. include recycled content,
    - b. are durable and long-lasting,
    - c. conserve energy and water,
    - d. use agricultural fibers and residues,
    - e. reduce greenhouse gas emissions.
  - (4) 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 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:
  - (1) reduces duplication of effort,
  - (2) provide for the efficient and effective use of public resources, and
  - (3) conforms to budgetary parameters and remain cost competitive.

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Kendall W. Lane, Mayor

City of Keene, N.H.
Transmittal Form

July 27, 2016

TO: Mayor and Keene City Council

FROM: Planning, Licenses and Development Committee

ITEM: I.1.

SUBJECT: Relating to Food Service Establishment Permit Fees

RECOMMENDATION:
On a vote of 3-0, the Planning, Licenses and Development Committee recommends amending the Ordinance to stipulate the health authority shall inspect not less than annually each food service establishment located in the city or its police jurisdiction and shall make as many additional inspections and re-inspections as are necessary for the enforcement of this article. The Committee further recommends the adoption of Ordinance O-2016-11-A.

ATTACHMENTS:

Description

Ordinance O-2016-11-A

BACKGROUND:
Acting Health Director John Rogers stated this item was before the Council but was referred to this Committee with a request from the Agricultural Commission. There were certain comparisons done of the State of New Hampshire Food Protection Division where the classification was being drawn from. A Class G license will allow for a vendor to sell frozen meat at a much lower license fee because of the time involved; these meats are coming to a farm from a USDA facility. The animals are inspected by a vet on location and the facility is inspected by a USDA Inspector.

The State has several self-inspecting cities and towns and in review of these cities and towns nearly half of them have this same category for a classification for their license – the price is anywhere between $50 - $125 for this license. Mr. Rogers stated staff is recommending a $100 fee and that this Class VI license be added to the Ordinance. Mr. Rogers went on to say the Ordinance for Division three currently reads that the city inspects food establishment every six months. Mr. Rogers stated the City performs inspections based on a need and he felt every six months didn't make much sense. He stated the areas they like to target more frequently are restaurants and schools where food production is taking place, as opposed to someplace like a convenience store which carries candy bars and soda. Staff is recommending inspections happen once a year.

Councilor Hansel asked whether there are any current licensees that would try to fall into this category. Mr. Rogers stated it would not be a concern, because this license indicates it is solely for frozen USDA meat.

Chair Jones clarified the six month inspection term in the Ordinance is being replaced with "as needed". Mr.

Rogers agreed and added if they look at the FDA Codes they have inspection times upwards of four times per year and sometimes once a year. He indicated the City has not adopted the FDA Code but they use it as a reference. The City has its own Food Code; if there is no food preparation going on there is very little risk.

Chair Jones asked whether there should be some sort of minimum time limit added in; he felt there might be an establishment which could require more visits but this establishment might feel like they are being "picked" on. Mr. Rogers stated the inspections are based off a 100 point score system and the score is dependent on what is considered critical and non-critical. There would be evidence that would call for an additional inspection if an establishment had a lower score. He added the reason the City would visit such an establishment would be to get them to the higher score and to work with them and towards that end, they are given a critical action plan to help them address the issues the City finds.

Councilor Sutherland stated he has a problem striking the time line out of this and does understand the various classes listed under this ordinance, however, not having a time line says an establishment might never have an inspection. The Councilor felt when dealing with food there is always a risk. The second issue Councilor Sutherland raised was related to mobile facilities which travel to a farm for slaughtering operations and those facilities also offer smoking operations as well. He asked for a facility that should have eggs or smoked meats, what classification would that type of facility fit into. Mr. Rogers stated if there is some type of food production it will fall into Class 2 – he referred to the following language from the Fee Schedule: "…food processing operations processing less than 100,000 or more packages of food/year…" and added they could then move into the Class 1 category if they had a larger operation.

Councilor Sutherland clarified if someone wanted for instance to sell frozen pork and bacon, they would pay $100 for the frozen pork and the price would increase for the smoked items. Mr. Rogers stated in this instance Class 2 could carry both products.

Councilor Hansel asked if it is a timeline, whether it would be prudent to change it from six months to a year. Mr. Rogers explained he hesitated to put a specific number because of the different levels where the inspections are required. He noted the school system requires inspections once every six months. Schools also fall under the non-profit category and this is also what the church kitchens fall under, and to add all these institutions under the Class 5 category becomes difficult. Councilor Hansel felt taking out the time limit in its entirety makes it very ambiguous. Mr. Rogers felt perhaps "annual" and "as needed" could be an option. The City Manager asked whether "not less than annually" could be a possible wording.

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

On a vote of 3-0, the Planning, Licenses and Development Committee recommends amending the Ordinance to stipulate the health authority shall inspect not less than annually each food service establishment located in the city or its police jurisdiction and shall make as many additional inspections and re-inspections as are necessary for the enforcement of this article. The Committee further recommends that adoption of Ordinance O-2016-11-A.

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

On a vote of 3-0, the Planning, Licenses and Development Committee recommend accepting the memorandum from the acting Health Director as informational.

ORDINANCE

O-2016-11-A

CITY OF KEENE

In the Year of Our Lord Two Thousand and Sixteen

AN ORDINANCE Relating to Food Service Establishment Permit Fees

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

That the Ordinances of the City of Keene, New Hampshire, as amended, be and are hereby further amended by deleting the stricken text in Chapter 46- Licenses and Permits Article VII-Food Service Establishments Division 3 and inserting the bolded text in Appendix B., Section 46-387 entitled “Food Service Establishment Permit Fees” of Chapter 46 entitled “Licenses and Permits” as follows:

DIVISION 3. - INSPECTIONS

Sec. 46-421. - Required.
~~At least once every six months,~~ **At least annually**, the health authority shall inspect each food service establishment located in the city or its police jurisdiction and shall make as many additional inspections and re-inspections as are necessary for the enforcement of this article.

APPENDIX B – FEE SCHEDULE

§ 46-387. Food service establishment permit fees:

Class I: Food service establishments having a seating capacity of 100 persons or more, supermarkets, establishments with more than one preparation area, and commercial food processing operations processing more than 100,000 or more packages of food/year	$350.00
Class II: Food service establishments having a seating capacity of less than 100 persons, establishments with one preparation areas, commercial food processing operations processing less than 100,000 or more packages of food/year	$300.00
Class III: Food service establishments having a seating capacity of less than 25 persons, clubs, establishments and mobile food operations selling only prepackaged products, mobile food operations selling only hot dogs, commercial food processing operations of non-time/temp control for safety bulk food and homestead kitchens.	$200.00
Class IV: temporary food service establishments Plus, per day of operation	$50.00 $10.00
Class V: nonprofit or charitable organizations not holding a liquor license, private and parochial schools, public schools funded by the city, governmental facilities.	No Fee
Class VI: Sellers of prepackaged frozen USDA meat or poultry	**$100.00**

Late renewal fee: In addition to the above, for any renewal application received after October 10. 1/12 of the fee per whole month late	
Re-inspection fee: In addition to the above, any re-inspection required for reinstatement of a suspended permit, or for correction of violations shall require a fee equal to 25 percent of the applicable license class	
Determining seating capacity: For the purposes of determining seating capacities for drive-in food service establishments, each car space provided shall be counted as the equivalent of five seats. The health authority shall have the final say in determining which category is applicable to an individual food service.	

____

Kendall W. Lane, Mayor

City of Keene, N.H.
Transmittal Form

July 28, 2016

TO: Mayor and Keene City Council

FROM: Finance, Organization and Personnel Committee

ITEM: J.1.

SUBJECT: Relating to Fiscal Policies

RECOMMENDATION:

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the adoption of Resolution R-2016-25-B, as amended; including appropriate renumbering of the various sections of the Resolution.

ATTACHMENTS:

Description

Resolution R-2016-25-B

Resolution R-2016-25-B_redlined

BACKGROUND:

Chair Greenwald noted that a workshop took place to address the fiscal policies and a number of issues arose which have been addressed. Chair Greenwald welcomed Steve Thornton, Financial Director forward. Mr. Thornton stated a fiscal policies workshop was held on July 14, 2016, at which time the fiscal policies were reviewed. Based upon the discussion at the workshop, and incorporating revisions recommended by Councilors Powers and Kahn, Resolution R-2016-25-A has been prepared that incorporates the following revisions to fiscal policies:

1. Create a two part fiscal policy that consolidates certain existing policies into a *Part I – Budgetary Policies* section of the fiscal policies, and leaving the remainder in *Part 2 – Financial Policies*.
2. Amend budgetary policies as follows:
   a. City Manager approved carryovers would be reported to City Council by the first week of August. Current language schedules the report for July 15. The current date does not allow sufficient time after year end to finish paying prior year invoices to determine financial position before approving carryovers (staff recommendation). Part 1, I.c.
   b. Language regarding multi-year projections amended to include language with regards to projected property tax and utility rates. Part 1, I.d.
   c. Language added to incorporate the financial policy on unassigned fund balance into budget preparation. Part 1, I.e.
   d. Incorporates fiscal policy on ratio of debt service and current revenue funded capital to the adopted budget into budgetary policies. Part 1, I.f.
   e. Adjusts property tax guideline with regard to use of the CPI to a three year average, as of June 30. Part 1. I.i.
3. Removes purchasing language with regard to environmentally preferred purchasing and collaboration. The fiscal policy duplicates Administrative Directive 2.04, issued on 10/29/08 with

regards to environmentally preferred purchasing (attached), and staff recommends the incorporation of this initiative, as well as the language with regards to collaborative purchasing in the fiscal policies into City ordinances with regard to purchasing. Part 2, IV (existing numbering on current policy)

4. Diversifying Revenues - Language change to incorporate Part 2, Section 4IV.e.with regard to maximizing non-property tax revenues into Part 2, Section IV.e. with regards to diversifying revenues. Eliminates a redundant policy.
5. Fees and Charges – sets a calendar for a review and approval by Council every two years. Mr Thornton noted this will be the subject of a workshop in September.
6. Amends the Stabilization Funds section for Other Funds (other than the General Fund) recommending fund balance target of 5-15% of operating budget, rather than 5-10%.

Mr. Thornton continued there are also several changes in formatting and language that do not impact the meaning or intent of existing policy, and are housekeeping in nature. All changes are shown in the "marked up" version of the attached fiscal policies. Also attached is R-2016-25-A without a markup for reference.

Chair Greenwald thanked Councilor Powers, Councilor Kahn, and the staff for this major revision. Councilor Powers thanked Mr. Thornton's staff for making these changes so quickly and stated he believes it is a great step forward.

Councilor Kahn indicated this is an important step to articulate the budgetary process. He said the real achievement is the separation of budgetary guidelines and fiscal policies so they are clear to the City Council and the public. He indicated in the established budget guidelines, they focused effort of the City Council on its policy making roles and identified those roles that are primarily administrative and should be recommended by City staff to the Council if changes are needed. He said this contributes to their effort toward transparency and will assist the City in their effort to push the budget process earlier than the last half year cycle. It will assist in goal setting and integrating goals into the budget. He also noted that now they have policies looking at multiple years, not just the current year. They are also looking at the CPI as a guideline so they will have three years of data to use instead of one. Councilor Kahn thanked Councilor Powers and Mr. Thornton for their work and stated he looks forward to taking this back to the Council to show what has been learned.

Councilor Jacobs agreed with Councilor Kahn and questioned if there will be a workshop to cover fees and charges every two years. Mr. Thornton replied yes, a lot of mechanics may be worked out during those workshops. Mr. Thornton read the exact language: "Fees and charges shall be reviewed in accordance with a schedule developed by the City Manager that has each fee reviewed biannually. Recommended charges will be reviewed and approved by the City Council."

Councilor Powers indicated that, as discussed at the workshop, that language is vague regarding when fees should be reviewed. He said it essentially indicates that the City Manager and staff will look at fees on a rolling schedule every two years and any changes will come from the City Council. He indicated that at the fiscal policies workshop they discussed the need for a workshop on fees so everyone better understands City fees. He agreed with Mr. Thornton that after the September meeting, the mechanics and schedule will be clarified and a workshop each year will likely be unnecessary. Councilor Jacobs replied that the idea of the workshop was to establish a framework to make this document stand alone. Mr. Thornton agreed. Chair Greenwald added that each individual fee is more than a short discussion, it is a process.

Councilor Clark asked where the Joint Procurement Initiative will be, since it is no longer in the fiscal policies document. Mr. Thornton indicated the intention is to have it become a part of the basic Purchasing Ordinance. Steps will have to take place to make that happen. The City Manager added that the Ordinance would amend the City Code. Councilor Powers added that there are 10 Ordinances in the City Code that talk about purchasing so it is duplicative to have it in the policy because the Code is more powerful than the policy.

Councilor Kahn requested a discussion about the incorporation in the budget policy of, under item I.e., a reference back to the fiscal policies on unassigned fund balance at the end of June. He indicated that this guideline in section 9.a.i. refers to maintaining a goal and fund balance between 7.5-10% and other specially designated funds between 5-15%. He said item H acts a lot like those other policies back in section 9.a.i. with regard to what to do with remaining fund balances. Councilor Kahn suggested, in an effort to streamline the budget guidelines, to have item H in reference to the Partner City Committee, placed under fiscal policies relative to stabilization funds because it requires administrative review. Mr. Thornton noted that he does not necessarily agree. He said the Partner City balance is not a fund balance, it is just an appropriation that the City Council allows them to carry over to meet the needs of the committee when the German contingency arrives. He said the fund stabilization policy refers to the operating funds of the City and therefore, if the Council saw fit to move that from the budget to the financial policy that is fine, but it is not a part of fund stabilization.

Councilor Kahn asked for other suggestions as to where it may more formally fit. He sees it more as an administrative review item than a Council Policy item. Mr. Thornton said he does not think it belongs in any of these sections; it should stand alone in the financial part of the fiscal policies. Councilor Powers added there are two options, to have it stand alone in the fiscal policies or take it out entirely and stand on past practice of how it has been funded in previous years. The City Manager indicated the Partner City issue could be put in the Code of Ordinances instead, as they are doing with the Environmentally Preferred process because it will not change over any period of time. Chair Greenwald indicated the issue is the carryover of monies. The City Manager indicated that could be put in the Ordinance which memorializes it in a proper place.

Councilor Kahn asked if it would be appropriate to ask the City Manager to propose an amendment at City Council as to how this is carried forward into other parts of City Code. The City Manager and Mr. Thornton indicated they are happy to find a place for it. Chair Greenwald suggested adopting it as is and returning to the issue after the Council break. Councilor Powers stated he believes they need to provide staff more direction now to get it done and move forward.

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommend that item H regarding Partner City, be removed from the budgetary policies and that the City Manager propose an appropriate place in the City Ordinances to incorporate it with other Partner City policies.

Councilor Kahn questioned, now that there are two policies wrapped in a single resolution, are they numbered appropriately. He asked if they should be continuous 1-11 as they currently are or three articles in the budgetary policies and eight in the fiscal policies.

Councilor Clark suggested an amendment to the motion to adopt the resolution with appropriate renumbering by staff, which was seconded by Councilor Powers. The City Manager confirmed that parts one and two will have independent numbering.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommend the adoption of Resolution R-2016-25-B, as amended; including appropriate renumbering of the various sections of the Resolution.

Mayor Lane stated his concern is that things have been taken out of the policy in reference to the Partner City and purchasing but nothing has been solidified as to how to get that information into those Ordinances. He asked when that will happen and who will follow through to make that happen. He urged the Committee to follow through on those next steps and get it into the Ordinance. The City Attorney indicated they have a clear direction, the items will be easy to transfer, and an Ordinance can be prepared for the next Council meeting.

R-2016-25-B~~A~~

Sixteen

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:

PART 1 – Budgetary Policies

I. Budget
   A. The City shall annually adopt and appropriate budgets for the following funds
      1) General Fund
      2) Parking Fund
      3) PC Replacement Fund
      4) Solid Waste Fund
      5) Sewer Fund
      6) Water Fund
      7) Equipment Fund
   B. All appropriated budgets shall be balanced.
   C. All appropriations for annual operating budgets (exclusive of capital projects) shall lapse at fiscal year-end unless encumbered by a City of Keene purchase order that is recorded in the 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 the first week of August each year.

D. The budget document shall provide multi-year projections of revenues and expenditures/expenses including property taxes and utility (water and sewer) rates.

E. The budget will take into consideration the City's Policies on unassigned Fund Balance at the end of June,

F. The City of Keene will contain its General Fund debt service and current revenue capital outlay appropriations, on a five (5) year average, at or less than fifteen percent (15%) of the General Fund operating budget.

G. Upon completion of any project, any residual funds shall be returned to the fund that provided the original appropriation.

~~H. Partner City Committee~~

~~1) For the Partner City Committee, general fund appropriations shall be accounted for and expended separately from donations and proceeds from fund raising activities.~~

~~2) 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.~~

H. Property Taxes.

1) The City shall limit its property tax revenue increases to a rolling three (3) year average of the Boston CPI, (as of June 30th) 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.

2) Property Tax Credits and Exemptions. All exemptions and credits will be reviewed with the City Council every three (3) years unless there are legislative changes that cause a review to occur on a more frequent basis.

3) The State has chosen to solve its revenue problem by downshifting expenses to the local communities and tapping into the broad based property tax at the local level. Downshifting is an effective strategy for the State; however, it is unsustainable at the local level and would quickly lead to a significant reduction in City services. The City is sensitive to these added expenses to the taxpayers and will attempt to

limit the impact; however, as a State expense, the City will pass through the State downshifting to the taxpayers.

II. Capital Improvement Program

A. The City of Keene shall prepare a capital improvement program (CIP) with a span of six (6) years.

B. The CIP shall be updated annually.

C. The CIP will include all projects anticipated to be undertaken in the ensuing six (6) year period that have an estimated cost in excess of $20,000 and an anticipated useful life of at least five (5) 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:

1) A description of the project.
2) A cost estimate.
3) A project time line.
4) A priority ranking.
5) An estimate of the operating budget impact.
6) A reference to Community Goals.
7) A reference to Master Plans.

F. The CIP shall be reviewed by the Finance, Organization and Personnel Committee and the Planning Board.

G. The CIP will be the subject of a public hearing before adoption.

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.

PART 2 - Financial Policies

I. Fund Structure

A. All funds are intended to be self-supporting, with no subsidies from one fund to another required for operations or capital outlay.

B. The City will continue to conduct its financial activities through the use of the following funds:

1) Governmental Funds

a) General Fund – shall be used to account for those governmental activities that are not recorded in one of the other City Funds.

b) Special Revenue Funds:

i. Grants Fund – shall be used for those activities that are funded in part or in whole by contributions from other entities.

ii. Parking Fund – shall be used to account for the operations, maintenance and capital outlay needs of the municipal parking areas.

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

iv. Solid Waste Fund – shall be used to account for the activities of the transfer and recycling operations and for post-closure costs associated with the landfill.

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

2) Proprietary Funds

a) Enterprise Funds

i. Sewer Fund – shall be used to account for the operations, maintenance, and capital outlay needs of the sewer collection and treatment systems.

ii. Water Fund – shall be used to account for the operations, maintenance, and capital outlay needs of the water treatment and distribution systems.

3) Internal Service Funds

a) Equipment Fund – shall be used to account for the operations, maintenance, and capital outlay needs of fleet services.

II. Revenues

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

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

C. Designation of Revenues.

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

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

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

by the City Council.

III. Fees and Charges

A. Certain services provided by the City of Keene will be assigned a fee or charge for the users of the service, dependent upon how the community benefits from the provision of those services.

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

2) In the event that the service benefits a finite and definable sector of the community then that group will be assessed a fee or charge for provision of the service.

B. Cost Recovery

1) 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).

2) Fees and Charges will be set at something less than full cost recovery when:

a) A high level of cost recovery will negatively impact the delivery of service to low-income groups.

b) Collecting the fees and charges is not cost effective.

c) There is no intended relationship between the amount paid and the benefit received (e.g. social service programs).

d) There is no intent to limit the use of the service (e.g. access to parks and playgrounds).

e) Collecting the fees would discourage compliance with regulatory requirements and adherence to said requirements is self-identified, and as such, failure to comply would not be readily detected by the City of Keene.

3) Fees and Charges will be set at, or above, full cost recovery when:

a) The service is also provided, or could be provided, by the private sector.

b) The use of the service is discouraged (e.g. fire or police responses to false alarms).

c) The service is regulatory in nature and voluntary compliance is not expected (e.g. building permits, plans review, subdivisions).

4) Ambulance:

a) Service fees shall be set at two hundred fifty percent (250%) above the Medicare-determined usual and customary charge.

b) A fee will be implemented for those instances when responses that involve the use of drugs or specialized services are provided but there is no transport.

c) There will be no charge for responses determined by the Fire Department to be "public assists."

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 in accordance with a schedule developed by the City Manager that has each fee reviewed biannually. Recommended changes will be reviewed and approved by the City Council.

IV. Debt

A. The City of Keene will periodically incur debt to finance capital projects. All issuances of debt are subject to State of New Hampshire Statutes, RSA 34 and 162-K.

B. Debt may be issued to fund projects with a public purpose of a lasting nature or as otherwise allowed by State law.

C. Debt will not be issued to provide for the payment of expenses for current maintenance and operation except as otherwise provided by law.

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

E. All bonds shall be authorized by resolution of the City Council and require a two-thirds (2/3) vote.

F. The City of Keene may use the services of 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 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 every five (5) years.

H. Form. The City of Keene issues three types of bonds:

1) General Obligation Bonds – repayment is backed by the full taxing power of the City of Keene.

2) Tax Increment Financing Bonds – repayment is first backed by the revenue stream generated by increased revenues created within an established Tax Increment Financing District. To the extent that the increased revenues created within the district are not adequate, the repayment of the bonds would then be backed by the full taxing power of the City of Keene.

3) Refunding Bonds – these bonds are issued to refinance outstanding bonds before their term in order to either remove restrictions on the original bonds and/or to take advantage of lower interest rates. Repayment is backed by the full taxing power of the City of Keene.

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

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

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

V. Capital Assets

A. Capitalization of equipment, buildings, land and improvements other than buildings (if one or more of the following criteria are met):
   1) Cost (if known) or fair market value is greater than or equal to $5,000 and useful life is greater than one (1) year for new or replacement items.
   2) 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:
      a) Prolongs the useful life of the asset
      b) Adapts the asset to a new or different use
      c) Substantially increases the value of the asset
      d) Does not substantially replace a current asset
   3) All land acquisitions will be capitalized at cost (if known) or fair market value.
   4) The total cost of placing an asset into service condition will be capitalized.

B. Capitalization of infrastructure
   1) Cost greater than or equal to $10,000, and useful life greater than five (5) years.
   2) The depreciation approach will be utilized for the reporting of all infrastructure.

C. 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.

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

E. 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.

VI. Fund Balance Classification Policies and Procedures

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

1) Non-spendable fund balance - includes amounts that are not in spendable form such as inventory or prepaid expenses or are required to be maintained intact such as perpetual care or the principal of an endowment fund.

2) Restricted fund balance - includes amounts that can only be spent for specific purposes stipulated by external resource providers such as grantors or, as in the case of special revenue funds, as established through enabling legislation.

3) Committed fund balance - includes amounts that can be reported and expended as a result of motions passed by the highest decision making authority, the City Council.

4) Assigned fund balance - includes amounts to be used for specific purposes including encumbrances and authorized carry forwards or fund balance to be used in the subsequent fiscal year.

5) Unassigned fund balance - includes amounts that are not obligated or specifically designated and is available in future periods.

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

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

VII. Stabilization Funds

A. Unassigned Fund Balance.

1) 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.

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

b) Fund balances in all other budgeted funds should be maintained at between five percent (5%) and fifteen percent

(15%) of the annual operating budget for that fund.

B. Self-funded health insurance.

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

C. Capital Reserves.

1) Capital Reserves, classified as committed funds, are reserves established under State of New Hampshire 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 NH RSA 34, relating to Capital Reserve Funds for Cities.

2) The City of Keene has established the following capital reserves:

a) Fire Equipment Capital Reserve – for the acquisition or significant rehabilitation of fire apparatus.

b) Ambulance Capital Reserve – for the acquisition or significant rehabilitation of ambulances

c) Intersection Improvements Capital Reserve – for the rehabilitation or reconstruction of existing intersections.

d) Hazardous Waste Site Capital Reserve – for the clean-up, mitigation and testing associated with the Old City Landfill located at 580 Main Street.

e) Transfer/Recycling Center Capital Reserve – for the repair and replacement of existing infrastructure, systems, and equipment.

f) City Hall Parking Deck Capital Reserve – for the repair and replacement of existing infrastructure, systems and equipment.

g) Wells Street Parking Facility Capital Reserve – for the repair and replacement of existing infrastructure, systems, and equipment.

h) Landfill Closure Capital Reserve – for the closure and post-closure costs associated with the City Landfill located at Route 12 North.

i) Wastewater Treatment Plant Capital Reserve – for the repair and replacement of major components of plant, including equipment and building.

j) Martel Court Pumping Station Capital Reserve – for the repair and replacement of major components of station, including equipment building.

k) Sewer Infrastructure Capital Reserve – for the repair and replacement of existing infrastructure, systems and equipment including pump stations and the collection system.

l) Water Treatment Facility Capital Reserve – for the repair and replacement of major components of facility including pumps, controls, chemical systems, etc., and building components.

m) 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.

n) Fleet Equipment Capital Reserve – for the replacement of vehicles and equipment under the management of Fleet Services.

o) Bridge Capital Reserve – for the construction, reconstruction, and rehabilitation of bridges.

p) Downtown Infrastructure and Facility Improvement Capital Reserve – for infrastructure and facility improvements in the downtown.

q) 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.

VIII. Deposits of Excess Funds

A. Objectives (in priority order):

1) Safety – the safety of principal is the foremost objective.

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

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

B. Authorized Investments:

1) US Treasury obligations.

2) US government agency and instrumentality obligations.

3) Repurchase agreements with New Hampshire Banks acting as principal or agent, collateralized by US Treasury/Agency obligations.

4) Certificates of Deposits in New Hampshire Banks (collateralized).

5) New Hampshire Public Deposit Investment Pool.

____

Kendall W. Lane, Mayor

CITY OF KEENE

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:

PART 1 – Budgetary Policies

I. Budget
   A. The City shall annually adopt and appropriate budgets for the following funds
      1) General Fund
      2) Parking Fund
      3) PC Replacement Fund
      4) Solid Waste Fund
      5) Sewer Fund
      6) Water Fund
      7) Equipment Fund
   B. All appropriated budgets shall be balanced.
   C. All appropriations for annual operating budgets (exclusive of capital projects) shall lapse at fiscal year-end unless encumbered by a City of Keene purchase order that is recorded in the 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 the first week of August each year.

D. The budget document shall provide multi-year projections of revenues and expenditures/expenses including property taxes and utility (water and sewer) rates.

E. The budget will take into consideration the City's Policies on unassigned Fund Balance at the end of June,

F. The City of Keene will contain its General Fund debt service and current revenue capital outlay appropriations, on a five (5) year average, at or less than fifteen percent (15%) of the General Fund operating budget.

G. Upon completion of any project, any residual funds shall be returned to the fund that provided the original appropriation.

H. Property Taxes.

1) The City shall limit its property tax revenue increases to a rolling three (3) year average of the Boston CPI, (as of June 30^{th}) 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.

2) Property Tax Credits and Exemptions. All exemptions and credits will be reviewed with the City Council every three (3) years unless there are legislative changes that cause a review to occur on a more frequent basis.

3) The State has chosen to solve its revenue problem by downshifting expenses to the local communities and tapping into the broad based property tax at the local level. Downshifting is an effective strategy for the State; however, it is unsustainable at the local level and would quickly lead to a significant reduction in City services. The City is sensitive to these added expenses to the taxpayers and will attempt to limit the impact; however, as a State expense, the City will pass through the State downshifting to the taxpayers.

II. Capital Improvement Program

A. The City of Keene shall prepare a capital improvement program (CIP) with a span of six (6) years.

B. The CIP shall be updated annually.

C. The CIP will include all projects anticipated to be undertaken in the ensuing six (6) year period that have an estimated cost in excess of $20,000 and an anticipated useful life of at least five (5) 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:

1) A description of the project.
2) A cost estimate.
3) A project time line.
4) A priority ranking.

5) An estimate of the operating budget impact.
6) A reference to Community Goals.
7) A reference to Master Plans.

F. The CIP shall be reviewed by the Finance, Organization and Personnel Committee and the Planning Board.

G. The CIP will be the subject of a public hearing before adoption.

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.

PART 2 - Financial Policies

I. Fund Structure

A. All funds are intended to be self-supporting, with no subsidies from one fund to another required for operations or capital outlay.

B. The City will continue to conduct its financial activities through the use of the following funds:

1) Governmental Funds
   a) General Fund – shall be used to account for those governmental activities that are not recorded in one of the other City Funds.
   b) Special Revenue Funds:
      i. Grants Fund – shall be used for those activities that are funded in part or in whole by contributions from other entities.
      ii. Parking Fund – shall be used to account for the operations, maintenance and capital outlay needs of the municipal parking areas.
      iii. PC Replacement Fund – shall be used to account for the on-going replacement of PC's, certain peripherals, and desk top software utilized by all City departments.
      iv. Solid Waste Fund – shall be used to account for the activities of the transfer and recycling operations and for post-closure costs associated with the landfill.
   c) Capital Projects Fund – shall be used to account for the capital projects funded by any of the governmental funds.

2) Proprietary Funds

   a) Enterprise Funds
      i. Sewer Fund – shall be used to account for the operations, maintenance, and capital outlay needs of the sewer collection and treatment systems.
      ii. Water Fund – shall be used to account for the operations, maintenance, and capital outlay needs of the water treatment and distribution systems.

3) Internal Service Funds

a) Equipment Fund – shall be used to account for the operations, maintenance, and capital outlay needs of fleet services.

II. Revenues

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

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

C. Designation of Revenues.

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

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

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

III. Fees and Charges

A. Certain services provided by the City of Keene will be assigned a fee or charge for the users of the service, dependent upon how the community benefits from the provision of those services.

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

2) In the event that the service benefits a finite and definable sector of the community then that group will be assessed a fee or charge for provision of the service.

B. Cost Recovery

1) 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).

2) Fees and Charges will be set at something less than full cost recovery when:

a) A high level of cost recovery will negatively impact the delivery of service to low-income groups.

b) Collecting the fees and charges is not cost effective.

c) There is no intended relationship between the amount paid and the benefit received (e.g. social service programs).

d) There is no intent to limit the use of the service (e.g. access to parks and playgrounds).

e) Collecting the fees would discourage compliance with regulatory requirements and adherence to said requirements is self-identified, and as such, failure to comply would not be readily detected by the City of Keene.

3) Fees and Charges will be set at, or above, full cost recovery when:

a) The service is also provided, or could be provided, by the private sector.

b) The use of the service is discouraged (e.g. fire or police responses to false alarms).

c) The service is regulatory in nature and voluntary compliance is not expected (e.g. building permits, plans review, subdivisions).

4) Ambulance:

a) Service fees shall be set at two hundred fifty percent (250%) above the Medicare-determined usual and customary charge.

b) A fee will be implemented for those instances when responses that involve the use of drugs or specialized services are provided but there is no transport.

c) There will be no charge for responses determined by the Fire Department to be "public assists."

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 in accordance with a schedule developed by the City Manager that has each fee reviewed biannually. Recommended changes will be reviewed and approved by the City Council.

IV. Debt

A. The City of Keene will periodically incur debt to finance capital projects. All issuances of debt are subject to State of New Hampshire Statutes, RSA 34 and 162-K.

B. Debt may be issued to fund projects with a public purpose of a lasting nature or as otherwise allowed by State law.

C. Debt will not be issued to provide for the payment of expenses for current maintenance and operation except as otherwise provided by law.

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

E. All bonds shall be authorized by resolution of the City Council and require a two-thirds (2/3) vote.

F. The City of Keene may use the services of 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 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 every five (5) years.

H. Form. The City of Keene issues three types of bonds:

1) General Obligation Bonds – repayment is backed by the full taxing power of the City of Keene.
2) Tax Increment Financing Bonds – repayment is first backed by the revenue stream generated by increased revenues created within an established Tax Increment Financing District. To the extent that the increased revenues created within the district are not adequate, the repayment of the bonds would then be backed by the full taxing power of the City of Keene.
3) Refunding Bonds – these bonds are issued to refinance outstanding bonds before their term in order to either remove restrictions on the original bonds and/or to take advantage of lower interest rates. Repayment is backed by the full taxing power of the City of Keene.

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.

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

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

L. Other funding sources – to the extent they are available, the City of Keene will actively pursue:

1) Grants that reduce the City's initial investment in project/improvement.
2) Grants that contribute to the on-going debt service for city project(s).
3) Other financing tools such as tax credits that leverage the City's initial investment in a project.

V. Capital Assets

A. Capitalization of equipment, buildings, land and improvements other than buildings (if one or more of the following criteria are met):

1) Cost (if known) or fair market value is greater than or equal to $5,000 and useful life is greater than one (1) year for new or replacement items.

2) 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:

   a) Prolongs the useful life of the asset
   b) Adapts the asset to a new or different use
   c) Substantially increases the value of the asset
   d) Does not substantially replace a current asset

3) All land acquisitions will be capitalized at cost (if known) or fair market value.

4) The total cost of placing an asset into service condition will be capitalized.

B. Capitalization of infrastructure

   1) Cost greater than or equal to $10,000, and useful life greater than five (5) years.
   2) The depreciation approach will be utilized for the reporting of all infrastructure.

C. 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.

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

E. 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.

VI. Fund Balance Classification Policies and Procedures

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

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

specifically designated and is available in future periods.

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

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

VII. Stabilization Funds

A. Unassigned Fund Balance.

1) 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.

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

b) Fund balances in all other budgeted funds should be maintained at between five percent (5%) and fifteen percent (15%) of the annual operating budget for that fund.

B. Self-funded health insurance.

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

C. Capital Reserves.

1) Capital Reserves, classified as committed funds, are reserves established under State of New Hampshire 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 NH RSA 34, relating to Capital Reserve Funds for Cities.

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p) Downtown Infrastructure and Facility Improvement Capital Reserve – for infrastructure and facility improvements in the downtown.

q) 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.

VIII. Deposits of Excess Funds

A. Objectives (in priority order):

1) Safety – the safety of principal is the foremost objective.

2) Liquidity – investments shall remain sufficiently liquid to meet the

operational cash needs of the City of Keene.

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

B. Authorized Investments:

1) US Treasury obligations.
2) US government agency and instrumentality obligations.
3) Repurchase agreements with New Hampshire Banks acting as principal or agent, collateralized by US Treasury/Agency obligations.
4) Certificates of Deposits in New Hampshire Banks (collateralized).
5) New Hampshire Public Deposit Investment Pool.

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Kendall W. Lane, Mayor

City of Keene, N.H.
Transmittal Form

August 2, 2016

TO: Mayor and Keene City Council

FROM: Patricia A. Little, City Clerk

ITEM: J.2.

SUBJECT: Approving a CDBG Application for Mamasezz

ATTACHMENTS:

Description

Mangones Communication

Resolution R-2016-30

BACKGROUND:

Attached is a communication and Resolution from Keene Housing requesting approval of a CDBG application for Mamasezz Foods, Inc., a company that prepares and delivers raw organic meals to home.

Keene Housing

831 Court Street, Keene, NH 03431
PHONE & TTY 603.352.6161
FAX 603.352.6845

TO: The Honorable Mayor and Members of the City Council

FROM: Linda Mangones, CDBG Administrator

THROUGH: Medard Kopczynski, City Manager

RE: Proposed application for CDBG funds

DATE: August 2, 2016

Recommendation: That the City Council adopt the attached resolution approving an application for Community Development Block Grant (CDBG) funds to the NH Community Development Finance Authority for the State of New Hampshire; and, further, to reaffirm the Housing and Community Development Plan as updated and adopt the Anti-Displacement and Relocation Assistance Plan.

Monadnock Economic Development Corporation (MEDC): Loan to MamaSezz. This application for Economic Development funds would allow MEDC to help MamaSezz lease a facility in the railroad yard and develop a business to prepare and deliver plant-based ready-to-eat foods. The amount of the application is expected to be $300,000.

Public hearing: A public hearing will be held on this proposal on **Tuesday, August 16 at 4:00** in the Small Committee Room on the second floor of City Hall.

R-2016-30

CITY OF KEENE

In the Year of Our Lord Two Thousand and Sixteen

A RESOLUTION Approving a CDBG Application for Mamasezz

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

WHEREAS, the City of Keene has stated as one of its Community Goals that the economic base of the City be diversified; and

WHEREAS, the present national economic climate suggests there is a need for development that would provide jobs; and

WHEREAS, The Monadnock Economic Development Corporation has been incorporated for the purpose of working to expand the economic base of the Monadnock region; and

WHEREAS, the U. S. Department of Housing and Urban Development has established a Community Development Block Grant Program which is administered within the State of New Hampshire by the Community Development Finance Authority; and

WHEREAS, the Community Development proposal would provide up to $300,000 to be subgranted to Monadnock Economic Development Corporation and loaned to MamaSezz for costs needed to expand the business;

NOW, THEREFORE, BE IT RESOLVED that the City Council approve and support the City's grant application to the Community Development Finance Authority of the State of New Hampshire for an amount up to $300,000 in Community Development Block Grant funds to be used by Monadnock Economic Development Corporation for a loan to MamaSezz for costs needed to expand the business; that the Council re-adopt the Housing and Community Development Plan and Displacement and Relocation Plan previously adopted; that the City will accept the grant if it is approved and enter into a contract with the Community Development Finance Authority; and, further, that the City Manager is authorized to execute any documents which may be necessary for the contract.

Kendall W. Lane, Mayor

City of Keene, N.H.
Transmittal Form

August 4, 2016

TO: Mayor and Keene City Council

FROM: Beth Fox, Assistant City Manager/Human Resources Director

THROUGH: Medard Kopczynski, City Manager

ITEM: J.3.

SUBJECT: In Appreciation of Jerome F. McDougle Upon His Retirement

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RECOMMENDATION:
That Resolution R-2016-29 be adopted by City Council.

ATTACHMENTS:

Description

Resolution R-2016-29

BACKGROUND:
Mr. McDougle retires from the Parks, Recreation & Facilities Department effective August 31, 2016, with almost 36 years of service.

R-2016-29

CITY OF KEENE

In the Year of Our Lord Two Thousand and Sixteen

A RESOLUTION In Appreciation of Jerome F. McDougle Upon His Retirement

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

WHEREAS: Jerome F. McDougle began his employment with the City of Keene December 5, 1980, as a Maintenance Aide I; was advanced to Maintenance Aide II May 3, 1982; was promoted to Motor Equipment Operator February 21, 1984; and assumed responsibilities as a Motor Equipment Operator II November 5, 1990; and

WHEREAS: Jerry possesses an incredible knowledge of all aspects of the cemetery business, has never failed to stay up to date with the State of New Hampshire and industry standards and requirements, and has demonstrated his pride in the City of Keene's cemetery system; and

WHEREAS: His outstanding funeral and grave preparation and his making each funeral service the most meaningful possible for families have displayed both his high degree of respect to the grieving and his unassailable work ethic—and have helped build an incredible reputation for him as a cemetarian, reflecting well on the City, also; and

WHEREAS: Jerry's strong customer service skills and his adaptability have built relationships with families and with visitors to the cemeteries, as he regularly rearranged his day around changing needs, resulting in letters of appreciation from community members; and

WHEREAS: His great level of horticultural skills not only have kept the grounds looking consistently beautiful and orderly, but also have contributed to developing lovely new gardens and burial sections; and

WHEREAS: A supportive and flexible team member, Jerry has been appreciated by his fellow department members for his efforts to share worthy suggestions for resolving problems and improving efficiency and to consistently do more than asked on a daily basis as he worked independently throughout the system; and

WHEREAS: Jerry retires from the City of Keene August 31, 2016, with almost 36 years of dedicated and outstanding service to the City of Keene;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Keene hereby extends its sincere thanks to Jerome F. McDougle for his dedicated service and wishes him the very best through all his retirement years; and

BE IT FURTHER RESOLVED that a copy of his Resolution, properly engrossed, be presented to Jerry in appreciation for his many years of service to the residents of Keene and the Monadnock Region.

Kendall W. Lane, Mayor