

FINAL

**LEBANON CITY COUNCIL
BUDGET WORK SESSION**

Thursday, November 9, 2021, 5:30 p.m.

Remote Via Microsoft Teams: [LebanonNH.gov/Live](https://lebanonnh.gov/Live)

MEMBERS PRESENT: Mayor Tim McNamara, Assistant Mayor Clifton Below, Devin Wilkie, Erling Heistad, Karen Liot Hill, George Sykes, Jim Winny, Karen Zook, Doug Whittlesey

MEMBERS ABSENT: None

STAFF PRESENT: City Manager Shaun Mulholland, Deputy City Manager Paula Maville, City Clerk/Tax Collector Kristin Kenniston, Finance Director Vicki Lee, Director of Public Works Jim Donison, Assistant Director of Public Works Everett Hammond, Assistant Director of Public Works Jay Cairelli, Solid Waste Manager Marc Morgan, and DPW Administrative Services Manager Kelly Crate

Mayor McNamara called the meeting to order at 5:30 p.m.

All Councilors who were present for this Work Session are listed above.

City Manager Mulholland announced this is not a Public Hearing but rather a work session for the Council to review DPW's proposed budget for 2022. However, the public is encouraged to listen in. There will be opportunities for public comments in the upcoming weeks.

1. Review of 2022 City Budget – Question and Answer Session with City Departments

A. Public Works

- **Overall DPW : Requesting \$4,904,000.00 (an increase of 8.01% or \$364,000.00 from the 2021 budget)** (slide 40 of the 2022 DPW Budget presentation).
 - **Approximately 2/3 of the total budget increase, or \$223,390.00, in Wages & Benefits, including a new Fleet Mechanic and P/T Admin/Finance Asst.**
- **Proposed DPW Fleet Maintenance for all City Departments, including Fire, Police, and RAP.**
 - **Total overall savings of \$65,000.00, for bringing contracted work in-house. Total cost of this proposal is approximately \$100,000.00, allowing for a 3rd Fleet Mechanic and additional person to snowplow** (slide 39 of the 2022 DPW Budget presentation).
- **2022 Roadway Improvements Plan: Requesting \$525,000.00. If additional end of the year funds are available, DPW will have additional contracts ready to award** (slide 43 of the 2022 DPW budget presentation).
- **2022 Solid Waste Fund Budget: Requesting \$4,046,450.00 (a decrease of 10.1% or \$-452,380.00 from the 2021 budget)** (slide 60 of the 2022 DPW budget presentation).

There was discussion regarding technology to further increase the compaction ratio. Mr. Marc Morgan stated that the DPW will be examining certain options, such as a bale fill operator in 2022.

Mr. Morgan explained that the state of solid waste in New England is currently volatile. An enormous amount of disposal capacity has been lost in Massachusetts, leading to increased tipping fees in New Hampshire. The DPW continues to work on this delicate balance.

- **2022 Water Treatment and Distribution Budget: Requesting \$4,141,290.00 (an increase of 11.2% or \$417,000.00 from the 2021 budget)** (slide 74 of the 2022 DPW budget presentation).

In response to a question from Councilor Liot Hill, Mr. Cairelli explained that the DPW will look into other potential water sources, such as the Mascoma Watershed, during the CIP process. Test drillings have shown this to be a potential location that could replace the water treatment plant in its entirety, if necessary.

- **2022 Wastewater Treatment and Collection Budget: Requesting \$7,264,330.00 (an increase of 1.9% or \$135,349.00 from the 2021 budget)** (slide 95 of the 2022 DPW budget presentation).

There was discussion about the increase in rates for the Hanover sewer charge. Mr. Cairelli stated that the DPW will compile information about the historical rate increases for this item. It is believed that there is still more of a benefit to send this to Hanover than create a sewer system to pump into Lebanon's system.

Mr. Cairelli explained that there is a contract with an engineering firm to look at slope stabilization along Mill Road. The line near Baker's Crossing, other than the break, is in good condition and there is nothing to indicate that the line is corroded. Plans are being put together for how to replace the line, and one of these might be to put it under the Mascoma River, but more analysis is needed.

In response to a question from Councilor Liot Hill, Mr. Cairelli explained that the flow metering is moved methodically during the seasons.

There was discussion regarding impact fees. City Manager Mulholland explained that impact fees are used for capital expenses to allow for growth. There are not many ways that impact fees would come into play for the DPW operating budget.

In response to a question from Councilor Liot Hill, Mr. Morgan stated that the legislative study committee that he is part of comes from a bill passed last year to evaluate the current solid waste services and plan for the future of solid waste disposal.

There was discussion regarding the City's stormwater infrastructure and climate change/resiliency. City Manager Mulholland noted that the City has significantly upgraded its stormwater standards. The City has more ditches than it can possibly manage with current staffing. There is not a current map of the entire ditch system for the City, but it is on the radar to complete in the future. Councilor Liot Hill stated that she believes a map of the entire system and management plan is important.

It was noted that the City is moving towards using liquid magnesium chloride for road treatment in the winter. This should prevent ice buildup and reduce the amount of salt on roadways.

There will be opportunity for the public to comment on the budget at the City Council meeting on December 15, 2021.

ADJOURNMENT:

The meeting was adjourned at 6:58 PM.

Respectfully submitted,
Kristan Patenaude
Recording Secretary