

FINAL

LEBANON CITY COUNCIL
MINUTES

Wednesday, August 3, 2022, 7:00 p.m.

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

MEMBERS PRESENT: Mayor Tim McNamara, Assistant Mayor Clifton Below, Erling Heistad, Karen Liot Hill, Christian Simon, George Sykes, Douglas Whittlesey, Devin Wilkie

MEMBERS ABSENT: Karen Zook

STAFF PRESENT: City Manager Shaun Mulholland, Director of Planning & Development David Brooks, Solid Waste Manager Marc Morgan, Finance Director Vicki Lee, Deputy Finance Director Alesia Williams, DPW Administrative Services Manager Kelly Crate

1. CALL TO ORDER: Mayor McNamara called the meeting to order at 7:00 p.m.

2. PLEDGE OF ALLEGIANCE: Assistant Mayor Below led the Council in the Pledge.

City Manager Shaun Mulholland announced the meeting criteria for the public.

3. PUBLIC FORUM: Mayor McNamara made the Public Forum announcement.

4. OPEN TO PUBLIC:

- Mayor McNamara, at the request of the City Clerk, asked the Council to think about possibly changing the way appointment/re-appointment interviews are done (for Committees, Boards, Commissions) due to a backlog that has developed. He suggested perhaps these could be done by the Council instead of each Councilor doing individual interviews. This will be coming up as an agenda item in the near future.
- Councilor Liot Hill spoke about the proposed landfill regulations that came up at the last Council meeting and gave her reasons for opposing the pink garbage bag requirement. She felt more consideration was needed on this issue.
- Councilor Simon concurred with Councilor Liot Hill.

5. RECOGNITIONS: NONE

6. ACCEPTANCE OF MINUTES: July 20, 2022 (Regular Meeting)

Councilor Heistad MOVED to approve the July 20, 2022 minutes as written and presented in the August 3, 2022 City Council agenda packet.

Seconded by Councilor Wilkie.

**The Vote on the Motion was approved by those present (8-0).*

7. APPOINTMENTS: NONE

8. PUBLIC HEARING ITEMS:

- A. APPROPRIATION FOR 20 SPENCER STREET CLEANUP PROJECT** – Public hearing for the purpose of receiving public input and taking action on a request for a supplemental appropriation in the amount of One Hundred Forty Thousand Dollars (\$140,000) for transfer from Unassigned Fund Balance to the Capital Improvements Fund for the 20 Spencer Street Cleanup Project.

Included in the agenda packet: *(Page 28, Council agenda packet)*

1. June 8, 2022 Memo from Interim Public Works Director Jay Cairelli – Supplemental Appropriation Request Supplemental.

To clear up any misconceptions, Mayor McNamara reiterated that the purpose of this cleanup is simply to facilitate the redevelopment of the site, noting the City would have needed to cleanup this site regardless of whether or not it was going to be developed.

City Manager Shaun Mulholland summarized the history, background and reasons behind the requested appropriation for 20 Spencer Street, noting the chemicals found on this site (i.e., petrol chemicals such as benzene, and PCBs) all of which needed to be removed.

BACKGROUND

20 Spencer Street is the former site of the City’s Public Works Facility. The site clean-up project was first included as part of the 2020 Capital Improvements Program in order to prepare the site for sale to the Braverman Company. The project has been on-going since 2020 and the extent of contaminated soil has been a challenge throughout. On a positive note, the last load of contaminated soil has been removed and disposed of and the soil on the perimeter of the project area has tested clean. On a not so positive note, the total cost for the removal and disposal over ran the total available funding by \$140,000.

Funding for the request for a supplemental appropriation in the amount of \$140,000 to cover the cost overrun will be paid for through the use of Unassigned Fund Balance so there will be no adverse impact on the tax rate.

Mayor McNamara opened the Public Hearing. Hearing no comments from the public, the Public Hearing was closed.

At the request of Councilor Liot Hill, City Manager Shaun Mulholland explained the business plan for selling this property, noting that \$1.5M is what the developer will pay for the property in order to build a structure that will be approximately worth \$18M in value and will contain approximately 95 residential units, with 45 of those being workforce housing. The Tax dollars that will come from this development will go into the Downtown TIF District.

ACTION:

Assistant Mayor Below MOVED, that FOR THE PURPOSE OF appropriating funds for removal and disposal of contaminated soils at 20 Spencer Street, Lebanon.

NOW THEREFORE BE IT RESOLVED, by the City of Lebanon, that funds, in the amount of \$140,000 be appropriated for expenditure from unassigned fund balance to the Capital Improvements

Fund for the 20 Spencer Street Cleanup Project, as presented in the July 6, 2022 City Council Agenda Packet.

This Resolution shall be effective upon passage.

Seconded by Councilor Sykes.

****The Vote on the Motion was approved by those present (8-0).***

- B. APPROPRIATION FOR LANDFILL GAS PROJECT AND WOOD GRINDING – A** public hearing for the purpose of receiving public input and taking action on a request for One Hundred Sixty Thousand Dollars (\$160,000) to be transferred from Unassigned Fund Balance in the Solid Waste Management Fund for the following:
1. One Hundred Thousand Dollars (\$100,000) to be transferred to the Capital Improvement Fund for the Landfill Gas Collection and Control System Expansion Project; and
 2. Sixty Thousand Dollars (\$60,000) to be transferred to the Operations Budget for contracted wood grinding services.

Included in the agenda: [*\(Pages 30-3\), Council agenda packet\)*](#)

City Manager Mulholland reviewed the appropriation for the Landfill Gas Project and the need for Wood Grinding.

BACKGROUND

Landfill Gas Collection and Control System

For the past several years, the Solid Waste Division has been using contracted services to expand the Gas Collection and Control System at the landfill. This system collects landfill gas from the newest portion of the landfill and delivers it to the flare station for destruction. The project is anticipated to be completed this year and was estimated to cost \$137,800. Annual maintenance to the system will continue.

The project was put to bid and on June 22, the project bids were opened. Two bids were received with the low bid coming in at \$252,000. The current available CIP funds for the Landfill Gas Collection and Control System Expansion Project is \$154,749.00. Additional funds in the amount of \$100,000 are needed.

Grinding Wood Waste

The Solid Waste Division utilizes contracted services to grind wood waste at the Solid Waste Facility. Fifty Thousand Dollars (\$50,000) was budgeted in 2022 for the service. The service was put to bid, and the only bid submitted came in at \$108,200 (more than double the budgeted amount). An additional \$60,000 is needed in order to execute a contract.

Unfortunately, the City is not immune to the increases in costs for materials and labor. The requested \$100,000 supplemental appropriation for the Gas Collection and Control System will be transferred from the Unassigned Fund Balance in the Solid Waste Fund to the Capital Improvements Fund; and the \$60,000 requested for the wood grinding service will be transferred from the Unassigned Fund Balance to the operational budget for the Solid Waste Division.

Mayor McNamara opened the Public Hearing. Hearing no comments from the public, the Public Hearing was closed.

Councilor Liot Hill questioned if the over budget costs for wood grinding will continue or should the landfill be considering an increase to the C&D fee. City Manager Mulholland noted the costs for everything is going up and right now we charge more than what it costs us to dispose of C&D. The issue here is the increase costs were not appropriated. Marc Morgan confirmed that the city is making money from the C&D charges.

At the request of Mayor McNamara, Mr. Morgan explained the volume of residential C&D was approximately 30% and commercial C&D was approximately 60%, noting this can be variable.

ACTION:

Councilor Wilkie MOVED, the following Resolution:

FOR THE PURPOSE OF appropriating funds for the construction of the Landfill Gas Collection and Control System Expansion and for the grinding of wood waste.

NOW THEREFORE BE IT RESOLVED, by the City of Lebanon, that funds, in the amount of:

- 1. One Hundred Thousand Dollars (\$100,000) be appropriated for expenditure from the unassigned fund balance of the Solid Waste Management Fund and transferred to the Capital Improvement Fund for the Landfill Gas Collection and Control System Expansion Project; and Sixty Thousand Dollars (\$60,000) be appropriated for expenditure from the unassigned fund balance of the Solid Waste Management Fund and transferred to the Solid Waste Operations Budget for contracted wood grinding services.***

This Resolution shall be effective upon passage.

Seconded by Councilor Heistad.

****The Vote on the Motion was approved by those present (8-0).***

C. AMEND ORDINANCE NO. 18, SALARY PLAN – A public hearing for the purpose of receiving public input and taking action to amend Ordinance No. 18, Salary Plan, Article II, Non-Affiliated & LPASE Employees as follows:

1. Reclassify, retitle, and remove positions within the Cyber Services Department;
2. Reclassify, add, and remove positions within the Library; and
3. Add seasonal positions for Summer Camp and Pool programs and increase salary range for seasonal Summer Camp Director

Included in the agenda:

1. Ordinance No. 18, Salary Plan (*Pages 33-38, Council agenda packet*)

BACKGROUND

RECLASSIFY, RETITLE, AND REMOVE POSITIONS WITHIN THE CYBER SERVICES DEPARTMENT

Technology is an evolving and never-ending cycle that changes rapidly. To improve the functionality of the Cyber Services Department, the City Manager is recommending an organizational change which will result in the reclassification of multiple Cyber Services positions.

There are currently five employees who occupy three of the same titled positions within the Cyber Services Department. The demands of Cyber Services requires that these employees be split into different roles in order to better focus attention on the various aspects of the cyber environment and continue to meet the overall needs of the City. The roles, functions, and job descriptions of the employees will significantly expand to include new duties, technological responsibilities, and in certain cases, expanded management functions.

Please note that no additional employees are being added, the department is being restructured utilizing the current employee base. The position of Cyber Services Technical Specialist (Grade 9) will remain in the pay scale but will be vacant. To achieve the restructuring, the following is proposed:

- Add System Administrator - Grade 11
- Add Systems and Operations Administrator – Grade 13
- Add Cyber Security Analyst - Grade 13
- Delete Systems and Information Technology Administrator – Grade 13
- Add Lead Network Infrastructure Engineer – Grade 14
- Reclassify Cyber Services Director from a Grade 15 to Grade 16

RECLASSIFY, ADD, AND REMOVE POSITIONS WITHIN THE LIBRARY

Community and operational needs at the libraries are requiring adjustments to current staffing. A review of the department was completed by Library Director Sean Fleming which resulted in the requested addition of a part-time Custodial Supervisor, the reclassification of a Children's Librarian, the addition of a Youth Services Librarian and the elimination of the Young Adult Librarian. All recommended changes have been approved by the Library Board of Trustees.

The part time Custodial Supervisor will supervise and schedule the current part-time custodial staff, oversee, and schedule all maintenance at both libraries, oversee building projects, and perform and oversee needed maintenance repairs.

To summarize, the requested changes within the Library are to:

- Add part-time Custodial Supervisor – Grade 4
- Reclassify Children's Librarian from a Grade 9 to a Grade 8
- Eliminate Young Adult Librarian – Grade 9
- Add Youth Services Librarian – Grade 10

ADD SEASONAL POSITIONS FOR SUMMER CAMP AND POOL PROGRAMS AND INCREASE SALARY RANGE FOR SEASONAL SUMMER CAMP DIRECTOR

Operational changes have been made to both the Pool and Summer Camp Programs necessitating the addition of two seasonal positions – a Pool Operations Manager and an Assistant Camp Director. The changes to these programs are needed to address staffing challenges and improve efficiency of future

operations. Changes will not impact the Recreation, Arts & Parks approved 2022 budget as the two positions will remain vacant this year.

Additionally, due to the current market and staffing challenges, we are recommending an increase in the pay range for the Summer Camp Director.

Proposed changes to facilitate the needs for these two summer programs are:

- Add Pool Operations Manager – salary range \$15.69 to \$21.63.
- Add Assistant Summer Camp Director - salary range \$15.69 to \$21.63
- Increase salary range for Summer Camp Director to \$16.73 to \$24.72.

Process to Amend Ordinance No. 18

Amending Ordinance No. 18 requires three separate presentations (see City Charter subsections 419:22, 419:24, 419:25, 419:52) followed by a public hearing and the vote of at least two-thirds (2/3) of all members of the City Council – six (6) members - to adopt.

The first presentation was July 6; the second was July 20. The Council is asked to finalize the process by acknowledging the third presentation and acting to amend the Salary Plan at the close of the public hearing.

Mayor McNamara opened the Public Hearing. Hearing no comments from the public, the Public Hearing was closed.

ACTION:

Councilor Wilkie MOVED, that the Lebanon City Council acknowledges the third of three presentations to amend Ordinance No. 18, Salary Plan, Article II, Non-Affiliated and LPASE Employees, as follows:

SECTION A –

FOR THE CYBER SERVICES DEPARTMENT:

- ***Add System Administrator - Grade 11***
- ***Add Systems and Operations Administrator – Grade 13***
- ***Add Cyber Security Analyst - Grade 13***
- ***Delete Systems and Information Technology Administrator – Grade 13***
- ***Add Lead Network Infrastructure Engineer – Grade 14***
- ***Reclassify Cyber Services Director from a Grade 15 to Grade 16***

FOR THE LIBRARY:

- ***Add part-time Custodial Supervisor – Grade 4***
- ***Reclassify Children’s Librarian from a Grade 9 to a Grade 8***
- ***Eliminate Young Adult Librarian – Grade 9***
- ***Add Youth Services Librarian – Grade 10***

SECTION B -**FOR RECREATION ARTS & PARKS:**

- *Add Pool Operations Manager – salary range \$15.69 to \$21.63*
- *Add Assistant Summer Camp Director - salary range \$15.69 to \$21.63*
- *Increase salary range for Summer Camp Director to \$16.73 to \$24.72*

Changes to the compensation and classification schedules are shown in *red-italics* for deleted positions, and in *blue italics* for new and/or reclassified positions.

<u>Grade</u>	<u>Position Title</u>	<u>Hourly</u>		<u>Weekly</u>	
		<u>Minimum</u>	<u>Maximum</u>	<u>Minimum</u>	<u>Maximum</u>
1	General Intern II	\$17.27	\$23.32	-	-
2	Custodian	\$18.31	24.71	-	-
	Department Secretary	-	-	-	-
3	Airport Maintenance Worker	\$19.41	\$26.20	-	-
	Custodian I	-	-	-	-
	Accounting Clerk	-	-	-	-
4	Library Assistant	\$20.58	\$27.78	-	-
4	<i>Custodial Supervisor</i>	<i>\$20.58</i>	<i>\$27.78</i>		
5		\$21.81	\$29.43	-	-
6	-	\$23.11	\$31.20	-	-
7	Administrative Secretary	\$24.49	\$33.42		
	Department Secretary			-	-
	Assessing Clerk	-	-	-	-
	Assistant City Clerk	-	-	-	-
	Assistant Human Services Director	-	-	-	-
	Communications Specialist	-	-	-	-
	Library Administrative/Technical Assistant	-	-	-	-
8	Administrative Assistant	\$25.97	35.06	-	-
	Benefits Coordinator/Payroll Specialist	-	-	-	-

	Deputy City Clerk	-	-	-	-
	Deputy Tax Collector	-	-	-	-
	Field Inspector**	-	-	-	-
	Electrical Inspector**	-	-	-	-
	Utility Billing Clerk	-	-	-	-
	Outreach Librarian	-	-	\$1,038.81	\$1,402.50
	<i>Children's Librarian</i>				
	<i>Young Adult Librarian</i>	-	-	-	-
9	Code Health Inspector**	\$28.56	\$38.55	-	-

	Executive Assistant	-	-	-	-
	Digital Media Officer	-	-	-	-
	Deputy Assessor	-	-	-	-
	Cyber Services Technical Specialist	-	-	-	-
	Real Estate Appraiser II**	-	-	-	-
	<i>Children's Librarian</i>		\$1,142.48		\$1,542.28
	Associate Planner**	-	-		
	Systems Librarian	-	-	-	-
	Information Technology Librarian	-	-	-	-
10	Assistant City Engineer**	\$31.42	\$42.42	-	-
	Cemetery Sexton**	-	-	-	-
	Financial Analyst	-	-	-	-
	Fleet Maintenance Supervisor**	-	-	-	-
	Community Nurse				
	Maintenance Superintendent**	-	-	-	-
	Utilities Maintenance Superintendent**				
	Police Communications Supervisor**	-	-	-	-
	Recreation Program Coordinator**	-	-	\$1,220.14	\$1,696.80
	<i>Youth Services Librarian</i>				
11	Technical Advisor I	\$34.60	\$46.70	-	-
	Administrative Services Manager**	-	-	\$1,384.00	1,868.01
	Airport Operations Supervisor**	-	-	-	-
	Assistant Recreation Director**	-	-	-	-
	Code Enforcement Director**	-	-	-	-
	Deputy Library Director	-	-	-	-
	Fire Marshall**	-	-	-	-
	Planner/GIS Coordinator**	-	-	-	-
	Senior Planner**	-	-	-	-
	<i>System Administrator</i>	-	-	-	-
12	Wastewater Treatment Superintendent**	\$36.67	\$49.49	-	-
	Water Treatment Superintendent**	-	-	-	-
	Chief Innovation Officer			\$1,466.80	\$1,979.66
	City Assessor**	-	-		
	City Clerk/Tax Collector	-	-	-	-
	City Engineer**	-	-	-	-
	City Planner**	-	-	-	-
	Deputy Finance Director	-	-	-	-
	Energy & Facilities Manager**	-	-	-	-
	Human Services Director	-	-	-	-
	Police Lieutenant**	-	-	-	-
	Prosecuting Attorney	-	-	-	-

	Solid Waste Manager**	-	-	-
13	Airport Manager	-	\$1,554.49	\$2,098.51
	Assistant Fire Chief	-	-	-
	Deputy Fire Chief	-	-	-
	Human Resources Director	-	-	-
	Information Systems Manager**	-	-	-
	Maintenance Manager**	-	-	-
	Recreation Director	-	-	-
	Police Captain**	-	-	-
	<i>Cyber Security Analyst</i>	-	-	-
	<i>Systems and Operations Administrator</i>	-	-	-
	Systems and Information Technology Administrator	-	-	-
14	Assistant Director/Public Works		\$1647.76	\$2,224.49
	Chief Assessor	-	-	-
	Library Director	-	-	-
	Deputy Police Chief	-	-	-
	<i>Lead Network Infrastructure Engineer</i>		-	-
15	Cyber Services Director		\$1,746.72	\$2,357.88
16	Technical Advisor II	\$46.28	\$62.48	
	Chief of Police	-	\$1,851.34	\$2,499.20
	Director of Planning and Zoning	-	-	-
	Director of Public Works	-	-	-
	Finance Director	-	-	-
	Fire Chief	-	-	-
	<i>Cyber Services Director</i>	-	-	-
	Deputy City Manager	-	-	-

B. SEASONAL/TEMPORARY & STIPEND EMPLOYEES

PARK AND RECREATION POSITIONS		
Front Desk Attendants – Pool	\$10.45	\$15.71
Lifeguards	\$10.45	\$18.03
Head/Lead Counselors	\$13.60	\$16.73
Head & WSI Lifeguards	\$12.55	\$18.80
Head Front Desk Attendant - Pool	\$12.55	\$15.97
Outdoor Adventurer - Educator	\$13.07	\$16.73
Softball Coordinator	\$13.07	\$16.73
Day Camp Counselors	\$10.45	\$15.71
Arts & Craft Director	\$13.60	\$17.51
Farmers Market Coordinator	\$14.64	\$18.82
Market Assistant	\$12.55	\$15.69
Tennis Instructor	\$15.69	\$19.87
Stomp & Romp	\$15.69	\$19.87

<i>Pool Operations Manager</i>	\$15.69	\$21.63
Asst. Pool Director	\$15.69	\$21.63
<i>Assistant Camp Director</i>	\$15.69	\$21.63
Pool Director	\$16.73	\$24.72
<i>Camp Director</i>	\$16.73	\$24.72

Councilor Wilkie further MOVED the following Resolution:

1. RESOLUTION:

FOR THE PURPOSE OF amending Ordinance No. 18, Salary Plan.

NOW THEREFORE BE IT RESOLVED, that the Lebanon City Council amends Ordinance No. 18, Salary Plan, Article II, Non-Affiliated & LPASE Employees, as follows:

SECTION A –

FOR THE CYBER SERVICES DEPARTMENT:

- Add System Administrator - Grade 11
- Add Systems and Operations Administrator – Grade 13
- Add Cyber Security Analyst - Grade 13
- Delete Systems and Information Technology Administrator – Grade 13
- Add Lead Network Infrastructure Engineer – Grade 14
- Reclassify Cyber Services Director from a Grade 15 to Grade 16

FOR THE LIBRARY:

- Add part-time Custodial Supervisor – Grade 4
- Reclassify Children’s Librarian from a Grade 9 to a Grade 8
- Eliminate Young Adult Librarian – Grade 9
- Add Youth Services Librarian – Grade 10

SECTION B -

FOR RECREATION ARTS & PARKS:

- Add Pool Operations Manager – salary range \$15.69 to \$21.63
- Add Assistant Summer Camp Director - salary range \$15.69 to \$21.63
- Increase salary range for Summer Camp Director to \$16.73 to \$24.72

Seconded by Councilor Whittlesey.

***The Vote on the Motion was approved by those present (8-0).**

9. OLD BUSINESS: NONE

10. NEW BUSINESS

- A. Removal of a development restriction contained in a Quitclaim Deed for a former City- owned parcel of land identified as Tax Map 90, Lot 12, located on Freeman Avenue, Lebanon.

Included in the agenda packet: *(Pages 42-58 , Council agenda packet)*

1. June 21, 1988 Memorandum from City Assessor re: Map 24, Lot 36
2. Excerpt from Minutes of August 2, 1988 Planning Board meeting
3. August 3, 1988 Memorandum from Planning Board Chairman to City Council
4. Excerpt from Minutes of August 17, 1988 City Council meeting
5. 1989 Tax Collector's Deed for 1934 Tax Sale
6. 1989 Quitclaim Deed from City of Lebanon to Ira and Gail Herrin (B1904, P599)
7. 1995 Fiduciary Deed from Herrin Executrix to Shawn and Heather Griffin (B2135, P141)
8. 2019 Warranty Deed from Shawn R. Griffin to Shawn R. Griffin, Trustee of the Shawn R. Griffin Revocable Trust dated January 22, 2019 (B4413, P866)
9. 1924 Plan for Mascoma Park
10. GIS Map – Freeman Avenue
11. Tax Card for Lot 90-13
12. Tax Card for Lot 90-12
13. Voluntary Merger Application by Shawn R. Griffin for Lots 90-12 and 90-13
14. DRAFT Release of Deeded Restriction

Mr. Shawn Griffin (Ward-2) and Attorney Barry Schuster came before the Council to review and discuss the removal of a development restriction contained in a Quitclaim Deed for a former City- owned parcel of land identified as Tax Map 90, Lot 12, located on Freeman Avenue, Lebanon.

BACKGROUND

Shawn Griffin is the current owner of two adjacent parcels of land on Freeman Avenue, Lot 90- 13 and Lot 90-12. Mr. Griffin's home is built upon Lot 90-13. Lot 90-12, a 50'x100' (5,000 sq. ft.) rectangular parcel, is vacant. Mr. Griffin wishes to voluntarily merge the two lots pursuant to RSA 674:39-a and construct a garage upon Lot 90-12. (Mr. Griffin's signed voluntary merger application is included in the Council's agenda packet.)

The City acquired Lot 90-12 by a tax sale in 1935 and re-sold it to Ira Herrin and Gail Herrin in 1989. The City's quitclaim deed to the Herrins' included the following restrictive covenant that runs with the land:

"No building or other structure shall be built on the premises conveyed herein, regardless if such premises remains as a separate individual lot or combined with another lot."

In 1988, when the City was considering the sale of Lot 90-12 (f/k/a Map 24, Lot 36), the minimum lot size in the R3 zoning district was 10,000 sq. ft. and width of 75 feet, but the Zoning Ordinance allowed non-conforming lots created prior to September 22, 1966, such as Lot 90-12, to be built upon.

The City's assessor recommended the deed restriction in a June 21, 1988 memo "[i]f upon consideration by the appropriate City Boards, it was determined that it was undesirable to sell the property as a building lot...." The Planning Board adopted this recommendation at its August 2, 1988 meeting. The City Council voted at its August 17, 1988 meeting to "offer Lot 36 on Freeman Avenue to the abutters as an unbuildable lot for fair market value."

The City Manager’s office supports the release of the restriction on the condition that Lots 90-12 and 90-13 are voluntarily merged and that new construction on the merged lot would comply with all City ordinances and regulations, including property line setbacks.

This is subject to all Zoning and Planning Regulations.

ACTION:

Councilor Liot Hill MOVED, that the Lebanon City Council hereby authorizes the City Manager to execute the “Release of Deeded Restriction” included in the August 3, 2022 City Council Agenda Packet for the property Freeman Avenue located at Map 90-12.

Seconded by Councilor Simon.

****The Vote on the Motion was approved by those present (8-0).***

Attorney Schuster noted he would provide the release to the City Attorney, along with the Application for Merger.

***At the request of Mayor McNamara, *Item 10. F was taken out of order from the agenda packet and is presented below.**

F. Presentation and discussion of Draft Request for Expressions of Interest for Downtown Redevelopment Opportunities

Included in the agenda packet: ***(Pages 100-112, Council agenda packet)***

1. 1. Draft Request for Expressions of Interest dated August 3, 2022
2. 2. Summary report titled “Benefits of enhancing riverfront access and amenities” dated April 1, 2022.

Planning & Development Director David Brooks reviewed and summarized the Draft Request for Expressions of Interest (RFEI) for Downtown Redevelopment Opportunities, noting the framework Plan from the 2016 Downtown Vision Plan. (His detailed report can be found on pages 100-112 as listed above.)

Since the start of the year, the Economic Development Commission and the Downtown TIF Advisory Board have been working jointly to review and discuss potential opportunities for downtown redevelopment as highlighted in the 2016 Downtown Vision Plan. After numerous meetings, the committees agreed to recommend that the City Council consider the issuance of a Request for Expressions of Interest (RFEI) to solicit interest and additional design ideas before considering a more formal Request for Proposals for any project.

BACKGROUND

The opportunity to redevelop the surface parking lots in downtown Lebanon was most recently highlighted in the [2016 Downtown Vision Plan and Tunnel Assessment](#) report. Chapter 5 of the Vision Plan outlines several Key Concepts that were developed from public input during the visioning process, including “seek[ing] mixed use and infill development that enhances the vibrancy of downtown” (see p.80 of the online .pdf report linked above). The Plan highlights possible opportunities that exist and offers a summary of the infill potential in various parts of downtown, which is further supported by the Market Analysis

(Chapter 3, p.55 of the online .pdf) that was prepared as part of the Vision Plan.

During a joint meeting in September 2021, members of the Economic Development Commission and the Downtown TIF Advisory Board agreed to work together to evaluate the potential redevelopment of the surface parking lots behind City Hall. The Planning Department and City Manager coordinated with the respective committee chairs to prepare a process and schedule for reviewing relevant information and data to assist the committees in the effort. The information reviewed with the committees included the 2016 Downtown Visioning Plan, various chapters of the 2012 Master Plan, an overview of smart growth principles, a summary of prior downtown parking utilization studies, an overview of floodplain and shoreland protection requirements, and recent data concerning housing availability and affordability. The committees also invited the chairpersons of the Conservation Commission and the Pedestrian & Bicyclist Advisory Committee to attend and provide input about the community's goals.

Following the review of pertinent information and discussion of goals, the committees agreed to consider a Request for Interest (RFI; also known as a Request for Expressions of Interest, RFEI) as an interim step to better understand potential private-sector interest and design needs relative to market conditions and the potential relationship between the City and a development partner. An RFEI has the potential to generate additional development ideas and concepts for the City to review and evaluate based on core planning principles and community goals. Depending on the responses, the RFEI may be used to inform and clarify a subsequent Request for Proposals process to achieve specific desired outcomes.

The attached Request for Expressions of Interest was developed and reviewed by the EDC and Downtown TIF committees over the course of several meetings between January and May. On May 25th, the committee members present voted unanimously to forward the RFEI to the City Council for review and further consideration.

In addition, during the course of the joint meetings, several individual members took the initiative to study the benefits of enhancing riverfront access and amenities and developed a brief report summarizing their findings, which was presented to the committees in April.

Mr. Brooks presented and summarized the following slides that were not part of the agenda packet.



Potential Downtown Redevelopment Opportunities

2012 Master Plan

- Chapter 1: Introduction
- Chapter 2: Land Use
- Chapter 3: Lebanon Central Business District
- Chapter 6: Economic Development
- Chapter 7: Housing

MASTER PLAN
City of Lebanon 2012
*a comprehensive plan to implement
the community vision for 2030*

Adopted by the Lebanon Planning Board
March 20, 2012





Potential Downtown Redevelopment Opportunities

Smart Growth – Basic Principles

1. Mix Land Uses
2. Take Advantage of Compact Design
3. Create a Range of Housing Opportunities and Choices
4. Create Walkable Neighborhoods
5. Foster Distinctive, Attractive Communities with a Strong Sense of Place
6. Preserve Open Space, Farmland, Natural Beauty, and Critical Environmental Areas
7. Direct Development Toward Existing Communities
8. Provide a Variety of Transportation Choices
9. Make Development Decisions Predictable, Fair, and Cost Effective
10. Encourage Community and Stakeholder Collaboration in Development Decisions

Smart Growth

Urban 3 Analysis sponsored by
NHHFA – Oct. 2020

- Evaluated property values on a
per-acre basis to identify locations
and types of development that are
most beneficial for a community.



Potential Downtown Redevelopment Opportunities

Request for Interest (aka Expression of Interest)

- An RFI would focus on exploring “interest” in a project, market alignment, infrastructure needs, basis of public-private interaction.
- An RFP would focus a more detailed exploration of design outcomes, costs, and integration with project surroundings.
- An RFI can enhance a community’s understanding of the level of interest from private parties prior to a more formal RFP/procurement process.

Mr. Brooks stated that some of the requested deliverables have been scaled back based on feedback from people in the development industry who noted the original RFEI asked quite a bit from respondents. The committee acknowledged as much during its final review and suggested that respondents be given additional consideration in any subsequent RFP (Request for Proposal) process. He also removed some of the financial information that was originally requested because he thought we are more interested in design ideas than how they would be financed, which is more appropriate for an RFP when we get to that point.

While this was not a public hearing, Mayor McNamara recognized the following members of the public who came forth to speak.

Ms. Victoria Smith (Ward-3, member of the Downtown TIF Advisory Board): She emphasized the only real consensus the two committees came up with was the redevelopment of the Mascoma River waterfront and making that a City amenity.

Mr. Barry Schuster (Ward-3, Chair of the Downtown TIF Advisory Board): He echoed Ms. Smith's comments, and spoke about his reasons for developing the Mascoma River waterfront noting we do not have the design skills and are seeking concepts and ideas.

Mr. Robert Moses (Ward-3): He spoke about his reasons in favor of the redevelopment of the Mascoma River waterfront.

Mr. Bill Dunn: He noted this is really an opportunity to gain expertise from outside individuals who have design and development experience and can help us with a vision of what might happen along the Mascoma River waterfront. He further spoke about his reasons in favor of developing the waterfront.

The Council discussed their reasons for supporting the RFEI process to see if there is any interest; how it will involve less of a commitment on the part of potential developers; and, how this is a space within the City that should be opened up on both sides of the Mascoma River to turn it into a City asset.

ACTION:

Councilor Sykes MOVED that the Lebanon City Council hereby authorizes the City Manager to issue a "Request for Expressions of Interest" relative to the Downtown Redevelopment Opportunities as presented in the August 3, 2022 City Council Agenda Packet.

Seconded by Councilor Wilkie.

****The Vote on the Motion was approved by those present (8-0)***

The Council continued with their regularly scheduled agenda items as presented below.

B. Annual review and re-adoption of City Council Policy CC-100, Cash Management & Investment

Included in the agenda packet: ***(Pages 60-69, Council agenda packet)***

1. August 2, 2022 Memo from Vicki Lee, Finance Director, re: Review and Adoption of the 2022 Cash Management and Investment Policy
2. City Council Policy CC-100, Cash Management and Investment Policy

Finance Director Vicki Lee reviewed the City Council Policy CC-100, Cash Management & Investment Policy CC-100.

BACKGROUND

The purpose of the City’s Cash Management and Investment Policy is to ensure that the administration of the City’s cash management system is handled at its highest public trust. Finance Director Vicki Lee is charged with oversight of the City’s cash management system.

The Policy applies to all cash, cash equivalents (assets that are readily convertible into cash), and investments in the custody of the City Treasurer in accordance with State law. This Policy does not apply to cash, cash equivalents, and investments in the custody of the Trustees of Trust Funds and the Board of Trustees of the Library who must formally adopt their own Investment Policies that are reviewed and confirmed at least annually for all investments made by them (or by their agents) for trust funds in their custody (NH RSA 31:25 and 202-A:23).

The custody and investment of City funds are to be made in a manner that provides maximum security of principal invested, meets the cash flow needs of the City and conforms to applicable State law. Funds in the custody of the Trustees of the Trust Funds are with Citizens Bank; City funds in the custody of the City Treasurer are with Mascoma Bank.

New Hampshire RSA 47:6 requires the City Council to at annually review and adopt an investment policy. The Council last reviewed and re-adopted the Cash Management and Investment Policy August 4, 2021. No changes are proposed to the Policy.

ACTION:

Councilor Whittlesey MOVED, that the Lebanon City Council adopts City Council Policy CC-100, Cash Management and Investment, as presented in the August 3, 2022, City Council Agenda packet, to be effective upon passage.

Seconded by Councilor Liot Hill.

****The Vote on the Motion was approved by those present (8-0).***

C. Annual review of City Council Policy CC-101, Fund Balance

Included in the agenda packet: ***(Pages 71-75, Council agenda packet)***

1. City Council Policy #CC-101, Fund Balance Policy

Finance Director Vicki Lee reviewed City Council Policy CC-101, Fund Balance.

BACKGROUND

A fund segregates resources (revenues) and requirements (expenditures) that are legally restricted to specific uses. Budgets are adopted by the City Council on a fund basis. Funds other than the General Fund exist primarily to ensure and demonstrate compliance with limitations on the use of existing resources or as enterprises. The General Fund, as the chief operating fund of the City, has a broader mandate, which may include accumulating sufficient financial resources for contingencies. Accordingly, the Fund Balance Policy is limited to the General Fund.

The purpose of the Policy is to provide adequate financial resources to ensure the continued orderly operation of government and the provision of services to residents and the continued stability of the tax or rate structure that can be threatened by uncertainty emanating from a number of areas including economic uncertainty, unanticipated changes in federal and state policies, imposition of federal and state mandates, unanticipated expenditures resulting from natural disasters or other unforeseen circumstances, errors in estimating expenditures and revenues, potential drain on resources from funds facing financial difficulties, and disparities in timing between revenue collections and expenditures.

The current Fund Balance Policy suggests a range of 19.0% to 24.0% of gross current General Fund budgeted expenditures. The result is consistent with how the New Hampshire Department of Revenue Administration (DRA) calculates its fund balance retention guidelines (middle ranges) minus the uncertainty of factoring in Net Required County, Local Education and State Education Tax Efforts which are not known until the annual tax rate setting process in October.

The Fund Balance Policy is reviewed annually by the City Council, but unlike the Cash Management and Investment Policy it is not required to be readopted. The current Fund Balance Policy was adopted by the City Council June 20, 2018 and reviewed on June 19, 2019, July 15, 2020 and August 3, 2021.

Assistant Mayor Below noted that while he does not have any issues with the policy, he noted there is a standard (currently set at 24%) and question if the Council should take steps to reduce that excess balance and if this policy was working closely with what we are actually doing.

City Manager Shaun Mulholland noted this policy does reflect what the City is doing and read the key language in the Fund Balance Policy that addresses this issue. Those debt payments are going, and will continue to go down. However, the City has fire station projects, which will cause a spike so we are preparing for that in advance to minimize those tax spikes in the future. If we try to keep the Fund Balance at the current 24%, we will not have sufficient funds to do those projects and will be faced with future tax spikes.

ACTION:

No action is required at this time, as this is an annual review of the Fund Balance Policy which has not been amended since changes were last incorporated and adopted on June 20, 2018.

D. Annual review of City Council Policy CC-106, Capital Reserve Fund

Included in the agenda packet: *(Pages 77-85, Council agenda packet)*

1. August 3, 2022 Memo from Finance Director Vicki Lee, re: Review of the Capital Reserve Fund Policy
2. City Council Policy #CC-106, Capital Reserve Fund Policy

Finance Director Vicki Lee reviewed the Capital Reserve Fund Policy and the City Council Policy #CC-106, Capital Reserve Fund Policy.

BACKGROUND

To ensure a strong foundation for the financing and completion of capital projects, long-term financial planning (saving-up), where “pay-go” financing is to be used, is crucial. Pay-go financing is a method of using current revenues to pay for future capital projects in place of, or in addition to, traditional debt financing. Capital Reserve Funds, which are in the custody of the Trustees of the Trust Funds, are a statutory means to set aside resources to finance the cost of future capital improvements. Annual contributions into capital reserve funds, are an example of how the City saves for projects identified and planned in connection with the annually adopted six-year Capital Improvement Program.

Pay-use financing, inflated by interest expense, affects rates (tax or service rates) over an extended period in debt service payments; pay-go has an immediate rate impact. The policy choice between the two alternatives requires an analysis of the relevant benefits and costs associated with each.

The following table summarizes the City’s Capital Reserve Funds.

Capital Reserve Fund	Contributing Fund	Market Value 30-Jun-22
Fire Department Equipment/Vehicles	General	\$635,467.90
DPW Equipment/Vehicles	General	\$223,497.50
Recreation & Parks Improvements/Equipment	General	\$120,125.70
Parking Facilities Repairs/Maintenance	General	\$28,182.26
Police Equipment, Vehicles and Improvements	General	\$91,690.75
Library Facilities	General	\$50,845.27
Accrued Benefits Liability-General Fund	General	\$287,905.46
Dana House Restoration/Maintenance	General	\$25,034.90
Self-Insurance Trust	General	\$15,289.92
Landfill Extended Long-Term Monitoring & Maintenance Entire Facility	Solid Waste Disposal	\$770,697.55
Landfill Closeout/Long-Term Monitoring & Maintenance Secured (Lined) Facility	Solid Waste Disposal	\$8,613,914.37
Landfill Equipment	Solid Waste Disposal	\$497,941.46
Landfill Improvements	Solid Waste Disposal	\$316,669.00
Landfill Accrued Benefits Liability	Solid Waste Disposal	\$52,914.23
Water Treatment/Distribution Improvements & Equipment	Water Treatment/Distribution	\$1,056,983.90
Water Accrued Benefits Liability	Water Treatment/Distribution	\$42,510.17
Sewage Collection & Disposal Improvements & Equipment	Sewage Collection/Disposal	\$742,114.88
Sewage Accrued Benefits Liability	Sewage Collection/Disposal	\$59,848.82
Airport Accrued Benefits Liability	Airport	\$20,568.95
Trust Funds	Scholarships, Library, Cemetery	\$3,322,682.77

		Market Value
Capital Reserve Fund	Contributing Fund	30-Jun-22
Capital Reserve Fund-School District	Building	\$2,184,022.10
	Computer & Tech	\$208,154.45
	Emergency Management Crisis	\$51,429.16
	Special Education	\$1,446,918.79

ACTION:

Councilor Whittlesey MOVED that the Lebanon City Council adopts City Council Policy CC-106, Capital Reserve Fund Policy, as presented in the August 3, 2022, City Council Agenda packet, to be effective upon passage.

Seconded by Councilor Wilkie.

**The Vote on the Motion was approved by those present (8-0)*

E. Review and Discussion of 2022 2nd Quarter Budget Reports

Included in the agenda packet: *(Pages 87-97, Council agenda packet)*

1. August 3, 2022 Memo from Vicki Lee, Finance Director, re: 2nd Quarter Financial Report (June 30, 2022)
2. Exhibit A – 2nd Quarter Budget Report

Finance Director Vicki Lee reviewed the 2nd Quarter Financial Report (June 30, 2022) and the 2nd Quarter Budget Report, as detailed on pages 87-97, City Council agenda packet.

BACKGROUND

The 2nd quarter budget report presents in summary form year-to-date expenditures and revenues activity through June 30. Item is for informational purposes only and does not require action by the Council. Finance

ACTION:

No action is required by Council: for informational purposes only.

11. City Manager Report:

City Manager Shaun Mulholland updated the Council on the following:

- Strategic Plans: He has been working with some of the Boards/Committees and expects to be done with this by the end of September and then explained the next steps once completed. At the request of Councilor Liot Hill, he explained the difference between the City's Master Plan (note: 10 yrs.) vs. a Strategic Plan (note: to be updated annually) and who would be involved with strategic planning. There will be at least two sessions for the general public to participate in. Once the Strategic Plans have been established, they will be brought before the Council for their approval.

Assistant Mayor Below and Mr. Brooks noted that various chapters of the City's Master's Plan

Are also being reviewed and updated.

- Electric Vehicles: He has directed the Planning & Development Department to put together Zoning Regulations that will apply to electric vehicles. The City has received a number of complaints about speeding e-bikes and has asked the Ped/Bike Advisory Board to look into this issue noting there are no current NH Statutes that would allow us to put speed limits on the Greenway as e-bikes are considered bicycles under the 2019 State Statute.
- NH Housing Status: Lebanon is not able to take advantage of this funding because we do not fit within the definition requirements. We may be able to apply for some of the Planning Funds for Zoning, etc. (i.e., Zoning that would allow for Inclusionary Zoning and Pattern Zoning).
- Block Housing Funds: The City of Lebanon will be receiving an additional \$277K from the NH Highway Block Grant Funds. This will be put into road projects, etc. and has asked DPW to come up with a plan.
- Bridge Aid Funds: The City will be receiving an additional \$620K for bridges. He will be coming before the Council to ask that this be put into the Capital Reserve Fund for bridge projects.
- Water Source Project: A potential site has been found.
- Westboro Yard: Will let the Council know when the Governor is ready to meet and will send an email update to the Council.

12. COUNCIL REPRESENTATIVES TO OTHER BODIES:

Assistant Mayor Below updated the Council on the work of the Community Power Coalition, noting that the PUC has adopted a final rule proposal for Community Power Aggregation. The Board of the Coalition unanimously adopted to accept a recommendation of the Risk Management Committee with regard to two of the vendors that responded to their RFP. The Retail Service Provider, recommended by the Coalition, is Calpine Energy Solutions, which is the retail provider for 24 of the 25 California Community Aggregations, noting that one of their features is \$750K in startup funding.

Assistant Mayor Below also described the circumstances behind the rising costs of electricity.

City Manager Mulholland noted it is beyond the City's purview to make any recommendations on what people should do with their electricity. The earliest the City could have Lebanon Community Power up and running would be April of 2023, but it probably will take longer.

13. FUTURE AGENDA ITEMS: None

14. NON-PUBLIC SESSION: None

15. ADJOURNMENT:

Councilor Simon MOVED for adjournment.

Seconded by Councilor Whittlesey.

**The Vote on the MOTION was unanimously approved by those present (8-0)*

The meeting was adjourned at 8:49 PM.

Respectfully submitted,

Dona E. Gibson

Recording Secretary