FINAL

LEBANON CITY COUNCIL
MINUTES, WORK SESSION
Remote Via Microsoft Teams
LebanonNH.gov/Live
Monday, November 16th, 2020
5:30 PM

MEMBERS PRESENT: **Mayor Tim McNamara, Assistant Mayor Clifton Below, Bruce Bronner, Erling Heistad, George Sykes, Karen Liot Hill, Suzanne Prentiss, Jim Winny**

MEMBERS ABSENT: **Karen Zook**

STAFF PRESENT: **City Manager Shaun Mulholland, Planning & Zoning Director David Brooks, City Clerk Kristin Kenniston, Public Works Director Jim Donison, Assistant Director of Public Work Jay Cairelli, Assistant Director of Public Works Everett Hammond, DPW Administration Services Manager Kelly Crate, Solid Waste Manager Marc Morgan, Staff Engineer Christina Hall, Deputy Finance Director Tina Stearns**

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1. CALL TO ORDER – Mayor McNamara called the meeting to order at 5:30PM.

- City Manager Shaun Mulholland reviewed the meeting procedures for remote meetings and NH RSA 91-A "Right to Know" requirements.
- A Roll Call of City Council Members who participated remotely are listed above.

2. REVIEW OF 2021 CITY BUDGET-QUESTION AND ANSWER SESSION WITH CITY DEPARTMENTS:

A. Planning and Development:

David Brooks, Director of Planning and Zoning, reported on the revenue side of the Planning and Development budget. They were well above the projected revenue of $1.46 million received from building permits. Most of the revenue came from a project at Dartmouth Hitchcock Medical Center and a project on Mt. Support Road. Those same projects contributed to the Planning fees, as well as Zoning permit fees.

The difference in expenditures projected for the year was an increase of 0.72% for the full budget. Wages, benefits, retirement, and worker's compensation had an increase of 2.5%, and the Discretionary Funds showed a 1.75% decrease.

Mayor McNamara asked if Director Brooks thought building permits would be just as big in 2021 as it was this year? Director Brooks said it was hard to tell. There was a large project that could possibly go forward next year but it was a bit contentious and could get stalled by appeals. If it did go forward it would be very large. Any revenues that exceed expenditures go back in the General Fund.

Assistant Mayor Below asked Director Brooks if he felt this coming budget year revenues would be close to 2020 or closer to 2019? Are there other projects in the pipeline? Director Brooks said it was hard to say and City Manager Mulholland said that there was just no way to know, with building permits, what will happen from year to year. Assistant Mayor Below asked if the Council could see a 10-year history of permit revenues. City Manager Mulholland said they would get this information to the Council.

Assistant Mayor Below asked about where the significant reduction in GIS was from? Director Brooks said it was a one-time expenditure and did not need to be budgeted for next year.

Mayor McNamara asked if there were any new additions to the budget besides the 0.72% increase? Director Brooks answered no.

Councilor Heistad felt the City of Lebanon's Ranger should be getting reimbursed more than he is. Director Brooks agreed, noting Mr. Ron Bailey would like to impart his wisdom to someone who would be able to help and learn from him.

Councilor Hill asked why the wages line for 2019 and 2020 actual were lower than projected? Director Brooks said he had tracked his budget and fully expected to expend the full-time wages.
Also, for the 2021 wage budget, the six LPASE members in the Planning Department will be eligible for merit increases in the coming year.

A. Public Works (To Include Energy & Facilities):

Jim Donison, Public Works Director, gave a brief summary of his 2021 proposed budget. The Department of Public Works has 50 full time and 1 part time employee. There are 16 people in the Highways Division, 4 people at the water treatment plant, 7 people at the wastewater treatment plant, 7 people at utilities, 9 people at the solid waste facility and 3 staff engineers. There are 4 cost centers which includes the General Fund, Solid Waste, Water Treatment and Distribution, and Sewage Collection and Disposal. There are some areas in the overall budget he has no control over such as wages, benefits, retirement, fuel and heating costs. The upcoming budget for the Department of Public Works will decrease by 3.28%. The Solid Waste Division budget will increase by 3.78%, the Water Enterprise Fund increases by 11.4%, and the Wastewater Enterprise Fund increases by 8.36%. Overall, the Public Works budget has an increase of 5%.

Director Donison explained the funds that contribute to the Public Works General Fund. In 2019 a consultant named Street Scan was hired to perform a complete inventory assessment of the 90-95 miles of roadway in the City of Lebanon. The overall Pavement Condition Index was rated at 72, which is a fairly good number. In 2020 the Index rose to 73. The Street Scan Program models all the roads and predicts what the Pavement Index will be based on expenditures. In order to keep the index at 73 the City would need to expend $1.3 million dollars in the upcoming year. For 2021 the Department was proposing an expenditure of $500,000.00.

Director Donison went over other areas of his proposed budget such as sidewalk and pavement maintenance. He explained his Solid Waste Fund had a budget of $4.3 million and was proposed to increase to $4.49 million. Solid waste revenue is proposed to increase by 3.6%.

Mayor McNamara asked about PFAS in the water and the State regulations? Director Donison explained there will be a PFAS study next year to evaluate the levels in the water. There is a Vendor who has a treatment process that removes PFAS from leaching. This pilot program would be at the Vendor's cost.

Mayor Mulholland also explained that PFAS was regulated at the State level and the City has 1 well that exceeded the State levels. More questions were asked by the Council and answered by Director Donison.

Mayor McNamara spoke to the proposed elimination of the Energy & Facility Manager's position and asked how Director Donison planned to continue to facilitate energy issues with that position eliminated? Director Donison explained the fourteen items usually handled by the Energy and Facility Manager would be dispersed to other DPW Staff and several major projects have been completed or are underway. There are three items they will not have enough staff to oversee. They are working with the Planning Department to develop a greenhouse reduction plan, a project to develop a 20-year plan to move all City buildings off of fossil fuels, and a plan to work with other municipalities in the State of NH to develop a Community Powered Aggregation Organization.

The Council asked questions about the plan and Director Donison answered. Several Councilors voiced their unhappiness with this position's proposed elimination. City Manager Mulholland explained cuts had to be made in order to get at a minimum tax rate decrease of 3%. This position reduced the budget by $100,000.00 as opposed to cutting multiple positions. Councilors felt this position was important to help the City of Lebanon become a green City and that the City signed on to the Mayor's Climate Protection Agreement. Some believed this position would save the City money and not cost as much over time.

Councilors questioned if there were other places in the budget that could be cut to save the Energy and Facility Manager's position. Assistant Mayor Below asked if there was a summary of the job position that may have calculated the money saved or proposed to be saved, by this position, over time. City Manager Mulholland said he requested the Energy and Facility Manager make a report explaining what the position had brought in for revenue to offset the position. The City Manager had not received this report at the time of this meeting.

Assistant Public Works Director, Jay Cairelli went over the water budget. He said it had been an interesting year for the water budget. Debt service was up by $518,740.00. They did the best they could to flat-line the budget. There are 87.7 miles of pipe and over 900 fire hydrants to maintain, a large pump station, as well as other facilities. At this moment they have collected about 98% of their revenues. They also eliminated a part-time position at the treatment plant operations. The Council had no questions.

Assistant Director Cairelli spoke about Debt Service. Unfortunately, they have no control over this and it is 55% of their budget for the coming year. He went on to speak about the Sewer Collection and Disposal Fund. Like water, it is mostly Debt Service, which is at 54%. This budget includes maintenance of 75.3 miles of pipeline, their stormwater holding facility in West Lebanon, and 8 pump stations. Currently 93% of the revenue has been collected. They removed a part-time position which saved $18,360.00. There were no questions from the Council.

7. ADJOURNMENT:

The meeting was adjourned at 7:41 PM.

Respectfully submitted,
Barbara R. Higgins
Recording Secretary