



**LEBANON CITY COUNCIL
JANUARY 4, 2023 - 7:00 PM
COUNCIL CHAMBERS, CITY HALL OR
REMOTE VIA VIRTUAL PLATFORM
LEBANONNH.GOV/LIVE**

1. Call to Order

To participate in this meeting, [please join live via Microsoft Teams](#) or call 929-229-5356 (access code: 732 974 698#). If you have trouble accessing this meeting, please [email Shaun Mulholland](#).

The January 4, 2023 Lebanon City Council Meeting is hereby called to order.

2. Pledge of Allegiance

3. Public Forum Announcement by the Mayor

Any member of the public who desires to speak on any item may do so when the item is taken up by the Council and will be allowed to speak on the subject for not more than three minutes. **(Note: Speakers are asked to state their name, ward of residence, and to use the microphone provided.)**

4. Open to the Public

5. Recognitions: None

6. Approval of Minutes

- A. MOTION TO approve the minutes as presented in the January 4, 2023 agenda packet.

7. Appointments: None

8. Public Hearing Items

- A. ORDINANCE 2023-01 - A public hearing for the purpose of receiving public input and taking action to amend City Code Chapter 152, Streets and Sidewalks, Article IV, Non-Public Signs in City Highway Right-of-Way, relative to political signs on public highways
- i. Presentation:
 - ii. Opening of the Public Hearing:
 - iii. Questions & Comments by the Public:
 - iv. Closing of the Public Hearing:
 - v. Council Deliberation & Action:
- B. RE-ADOPT VETERANS TAX CREDITS – A public hearing for the purpose of receiving public input and taking action to re-adopt the Optional Veterans' Tax Credit and the All Veterans' Tax Credit
- i. Presentation:
 - ii. Opening of the Public Hearing:

- iii. Questions & Comments by the Public:
- iv. Closing of the Public Hearing:
- v. Council Deliberation & Action:

9. Old Business: None

10. New Business

- A. Review and Adoption of 2023 Annual Calendar
- B. Appointment of 2023 Chair and Vice-Chair for Economic Development Commission
- C. Lebanon Community Power – Community Power Coalition of New Hampshire (CPCNH) Cost Sharing Agreement and Related Policies
- D. Review of Proposed Zoning Amendments for Council Adoption and those to be placed on the 2023 Municipal Ballot (Public Hearing to be held January 18, 2023)
- E. Review and Discussion of Draft Strategic Plan

11. City Manager Report

12. Council Representatives to Other Bodies Report

13. Future Agenda Items

14. Non-Public Session

- A. RSA 91-A:3, II(d) – “Consideration of the acquisition, sale, or lease of real or personal property which, if discussed in public, would likely benefit a party or parties whose interests are adverse to those of the general community.

15. Adjournment

Meetings are open for in-person and remote attendance. Members of the public that wish to attend remotely may do so by going to LebanonNH.gov/Live where you will find instructions on how to enter the meeting. Members of the public will be able to participate and ask questions through the City’s virtual platform or by phone. Please note: Should technical difficulties occur during the meeting that disrupts virtual or phone connection(s), the meeting will continue without remote access capabilities.

FUTURE BOARD/COMMITTEE/COMMISSION APPOINTMENTS: There are currently no future appointments.

PROPOSED FUTURE AGENDA ITEMS: Dates may be tentative and this list is not considered all-inclusive.

JANUARY 12, 2023 (Special Meeting)

NEW BUSINESS:

- A. New Hampshire Municipal Association (NHMA) Legislative Update

JANUARY 18, 2023

PUBLIC HEARING ITEMS:

A. PROPOSED AMENDMENTS TO THE ZONING ORDINANCE FOR 2023 MUNICIPAL BALLOT - Public Hearing for the purpose of receiving public input and taking action to place proposed zoning amendments on the 2023 Municipal Ballot

B. PROPOSED AMENDMENTS TO THE ZONING ORDINANCE FOR COUNCIL ADOPTION – Public hearing for the purpose of receiving public input and taking action on proposed zoning amendments for adoption by the City Council

NEW BUSINESS

- A. Request from Salt hill Pub for an Exemption (per §14-5) of City Code Chapter 14, Alcoholic Beverages, to permit the serving of alcoholic beverages on City property
- B. Request from the Lebanon Opera House for an Exemption (per §14-5) of City Code Chapter 14, Alcoholic Beverages, to permit the serving of alcoholic beverages on City property

C. Review and Discussion of Draft Strategic Plan

FEBRUARY 1, 2023

NEW BUSINESS:

- A. Review of Elderly Tax Exemptions
- B. Low-Barrier Shelter Options in Lebanon
- C. Presentation of 2021 Audit
- D. Request to Rescind Prior Authorizations for Issuance of Bonds or Notes
- E. Release of Public Schools Impact Fees (3rd & 4th Quarters 2022)
- F. Lebanon Police Department Budget Transfer – LED Lighting Upgrades
- G. Preparation of Concise Explanations stating the City Council's position on the Zoning Amendments to appear on the March 2023 Municipal Ballot. Explanations are required by Section 1000.4.D of the Lebanon Zoning Ordinance and must indicate the Council's approval/disapproval of the proposed amendments, stating reasons for such.

**AGENDA
LEBANON CITY COUNCIL
JANUARY 04, 2023**

6. ACCEPTANCE OF MINUTES:

MINUTES TO BE ACCEPTED

- November 28, 2022 (Budget Work Session)
- December 7, 2022 (Regular Meeting)
- December 14, 2022 (Regular Meeting)

MOVED, to approve the minutes as presented in the January 4, 2023 agenda packet.

DRAFT

**LEBANON CITY COUNCIL
MINUTES, BUDGET REVIEW**

Tuesday, November 28, 2022, 5:30 PM

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

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

MEMBERS ABSENT: Erling Heistad

STAFF PRESENT: City Manager Shaun Mulholland, Deputy City Manager David Brooks, City Clerk Kristin Kenniston, Director of Planning & Development Nathan Reichert, Senior Planner Tim Corwin, Chief of Police Phillip Roberts, Deputy Chief of Police Matthew Isham, Assistant Director of Public Works Everett Hammond, Assistant Director of Public Works Jay Cairelli, Solid Waste Manager Erica Douglas, Finance Director Vicki Lee, Deputy Finance Director Alesia Williams, Fire Chief/Emergency Management Director Jim Wheatley, Assistant Fire Chief Jeff Libbey, Airport Director Carl Gross, Human Resources Director Gloria Leskiewicz, Human Services Director Lynne Goodwin, Lebanon Libraries Director Sean Fleming, DPW Administrative Services Manager Kelly Crate, Cyber Services Director Perry Eaton

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

- City Manager Shaun Mulholland announced the meeting criteria for the public, noting this is a workshop to go over the final components for the 2023 budget.

NOTE: The 42 page detailed budget report (with charts) for the City of Lebanon can be found on pages 1-42, City Council agenda packet.

Finance Director Vicki Lee presented and reviewed the highlights for the projected 2023 Lebanon City Budget, which included Debt Service, Transfers, and Revenues.

- **REVENUES** (*Page 4, City Council agenda packet*)

Estimated Revenues for 2023 are \$93,117,790 compared to \$66,633,430 for 2022, an increase of \$26,484,360. The change from the prior year is primarily attributable to an increase in Capital Improvements Fund revenues.

Revenues by Fund	2021 Budget	2022 Budget	2023 Budget	\$ Chg.
General	\$32,976,300	\$33,312,670	\$34,792,240	\$1,479,570
Solid Waste Disposal	\$4,487,830	\$4,127,230	\$4,311,230	\$184,000
Water Treatment and Distribution	\$4,130,550	\$4,210,810	\$4,436,960	\$226,150
Sewage Collection and Disposal	\$7,368,570	\$7,277,230	\$7,862,020	\$584,790
Municipal Airport	\$1,192,790	\$929,040	\$1,810,620	\$881,580
Emergency Management	\$25,000	\$25,000	\$25,000	\$0

Heritage Fund	\$400	\$400	\$400	\$0
Capital Improvements	\$9,725,141	\$16,365,340	\$39,255,540	\$22,890,200
TIFD's	\$428,640	\$385,710	\$623,780	\$238,070
Total	\$60,335,221	\$66,633,430	\$93,117,790	\$26,484,360
Applied/(Realized) Fund Balance	\$2,015,620	\$4,125,520	\$4,409,850	\$284,330
Total Revenues and Fund Balance	\$62,350,841	\$70,758,950	\$97,527,640	\$26,768,690

The General Fund is 37.4% of total revenues, Solid Waste Disposal Fund 4.6%, Water Treatment and Distribution Fund 4.8%, Sewage Collection and Disposal Fund 8.4%, Municipal Airport Fund 1.9%, Emergency Management Fund, Heritage Fund 0%, Capital Improvements Fund 42.2%, and TIF Districts 0.7%

General Fund: Includes motor vehicles, ambulance fees, building permits, property taxes, Pilots and administrative overhead.

Solid Waste: Includes tipping fees, recyclable sales, punch cards. For 2023, there is an increase in tipping fees and recyclable sales, as well as punch cards. *For the public, revenues for Solid Waste are on page 132, Council agenda packet.*

Water Fund: Includes user fees, water pollution grants, user charges, hydrant revenues, as well as transfers. There is an increase in anticipated revenues from water development fees for 2023, as well as water user charges. *For the public, these can be found on page 138, Council agenda packet.*

Sewer Fund: Includes sewer application and development fees, water pollution grants, and user charges. There is an increase in anticipated revenues from the sewer development fees for 2023, as well as the sewer user charges. There is also a \$70K increase in revenue due to one of the water pollution grants. *For the public, this can be found on page 144, Council agenda packet.*

Airport Fund: Includes airport fees, as well as the hangar rents. There is an additional \$650K in revenue from the ARPA Funds to cover the AIP 69, which is intended to help airports make up the revenue from the shortfall for COVID 19. There is an increase for landing fees and rental cars. *For the public, information can be found on page 151, Council agenda packet.*

GENERAL FUND REVENUES – Broken down by source. (Page 7, Council agenda packet)

Taxes are 27.8% of total revenues, Licenses and Permits 4.4%, Intergovernmental Revenues 23.4% Charges for Services 19.9%, Other Revenues 7.5%, Interfund Transfers 3.1%, and Bond Proceeds 13.9%

Source of Revenues	2021 Budget	2022 Budget	2023 Budget	\$ Chg.
Taxes	\$24,615,100	\$24,900,610	\$25,885,720	\$985,110
Licenses and Permits	\$3,143,480	\$3,394,370	\$4,107,680	\$713,310
Intergovernmental	\$3,372,940	\$6,749,930	\$21,762,840	\$15,012,910
Charges for Services	\$17,867,670	\$17,554,610	\$18,537,860	\$983,250
Miscellaneous Sources	\$1,253,110	\$2,203,960	\$6,952,480	\$4,748,520
Interfund Transfers	\$3,615,780	\$2,339,040	\$2,881,600	\$542,560
Bond Proceeds	\$6,467,141	\$9,490,910	\$12,989,610	\$3,498,700
Total	\$60,335,221	\$66,633,430	\$93,117,790	\$26,484,360

Applied/(Realized) Fund Balance	<u>\$2,015,620</u>	<u>\$4,125,520</u>	<u>\$4,409,850</u>	<u>\$284,330</u>
Total Revenues and Fund Balance	<u>\$62,350,841</u>	<u>\$70,758,950</u>	<u>\$97,527,640</u>	<u>\$26,768,690</u>

Taxes: Include fees collected for the City Clerk's Office

Licenses and permits: Includes motor vehicles, dog licenses, boat registrations, landfill permit fees, alarm fees, building permit fees.

Inter-governments: Includes other government fees such as the Drug Enforcement Officer, revenues received from the State toward Capital Projects, charges for services (i.e., planning fees, recreation fees, ambulance, cemetery).

Miscellaneous: This includes administrative overhead, the Downtown revenue to offset the Debt payment, cable franchise fees, and some rents.

Interfund Transfers: Includes the landfill host community fees, enterprise transfers (transfer from one fund to another). *These funds are listed on pages 20-33, Council agenda packet.*

DEBT Service: *(Pages 35-42, Council agenda packet)*

Depending on the nature of capital assets acquired or constructed (whether for general improvements, solid waste disposal, water treatment and distribution, sewage collection and disposal or airport infrastructure), and how those assets are to be paid for (through property taxation or user fees), debt service responsibility is assigned to an appropriate City operating fund where those costs are budgeted. This is internal to the City as all debt issued by the City is "general obligation debt," which means the "full faith and credit" of the City is pledged to repayment.

The City has a Debt Management Policy and also does its financing through the NH Municipal Bond Bank, as well as the State Revolving Fund.

The 2023 Debt Service Budget is \$9,944,900, an increase of \$68,050 from 2022. (Page 38, Council agenda packet). The change from the prior year is due to attributable ongoing debt retirements and new general obligation debt. The Debt Service Budget is 10.2% of the 2023 City Budget.

The Debt Service Budget for the City is increased 17.5% or \$1.74 million to \$11.684 million from 2023 to 2025: 63.1% or \$1,098,530 of the increase will be supported by the General Fund (primarily property taxes); the Solid Waste Disposal Fund (landfill fees) is projected to decrease by 2.7% or (\$46,900), the Water Treatment and Distribution Fund (water service fees) is projected to increase by 23.2% or \$403,750, the Sewage Collection and Disposal Fund (sewer service fees) is projected to increase by 17.4% or \$303,620 and a decrease of 1.1% or (\$18,970) by the Municipal Airport Fund (airport service fees) over the period.

1 Mayor McNamara referred to the Taxes (listed on page 3, Council agenda packet) noting he was
2 interested in finding out what how much of the \$985K was coming from increases in property taxes vs. a
3 simple increase in the amount due to new construction (2022). Ms. Lee stated the \$985K did not include
4 all taxes. You have your Pilot in there too, which are increases that will be done each year.

5
6 City Manager Mulholland noted there was a 1.75% increase in the taxable value of the City. This is due
7 to new structures being built and adding to the tax base of the City.

8
9 In response to Mayor McNamara's question regarding Intergovernmental Transfers and Trues Brook,
10 Deputy City Manager Brooks noted that nearly \$8M is for the Lebanon Airport Capital Projects, \$7.5M for
11 the South Main St. Dry Bridge, \$2.3M for West Lebanon Main Street, and \$441K for Sewer Projects.
12 Roughly over \$19M in Interfund Transfers.

13
14 Mayor McNamara noted it was important for the public to see that when revenues shoot up by \$27M/year
15 this tends to be for CIPs (Capital Improvement Projects) and will not be a yearly increase.

16
17 • **GENERAL Q & A FROM ALL PREVIOUS BUDGET WORK SESSIONS**

18
19 Councilor Liot Hill:

- 20 1. She spoke about West Lebanon noting that in the past, there has been a sense of disparity between
21 City resources being allocated towards West Lebanon vs. Lebanon and wanted to hear about how
22 West Lebanon fairs in the proposed budget for the City.

23
24 City Manager Mulholland stated West Lebanon has more parks; a considerable amount of paving has
25 been done in West Lebanon; a number of Capital Projects have been, and continue to be done (i.e.,
26 resurfacing roads and doing roadway preservation); and improvements made at the School(s). He also
27 spoke about the Fire Station.

- 28
29 2. Do you think the budget advances the objectives and next steps that the West Lebanon
30 Revitalization Committee put forth in their presentation to Council earlier this year?

31
32 Deputy City Manager Brooks felt it does. Among the top priorities were the Main Street Project, which is
33 in the Capital Budget for this year. They are also continuing to work on the Westboro property, which is
34 in process and moving forward. We have designs moving forward for the multi-use path; we have the
35 Dry Bridge, and have reformed the West Lebanon Revitalization Committee (membership is pending).
36 There is a Civic Action group in West Lebanon who continues to work on the Bridge Street Park with the
37 Recreation Department and other volunteers.

38
39 City Manager Mulholland noted the Dry Bridge will be the most expensive project, costing more than
40 \$14M by the time it is done. They have taken steps to expand the Mascoma Greenway. He also spoke
41 about the bridge across from the Ford Dealership, and its improvements (sidewalks, etc. along the Miracle
42 Mile). The Dry Bridge is scheduled for construction in 2024-2025.

- 43
44 3. Does this budget allow for concrete actions so people can see the City is investing in West
45 Lebanon, noting that on this side of town we have beautiful planters with flowers? While this
46 might be a relatively small thing, it actually had big impact. Will this budget allow for something
47 like this on the West Lebanon side of town next year?

1
2 City Manager Mulholland spoke about how the Beautification Project was financed through people
3 donating money and how businesses used their labor force to do this project. If businesses (in West
4 Lebanon) want to participate in something like this, the City will work with them to do this. We should
5 know by the end of next week whether we have the grant funding for the roundabout on Main St. If we
6 do not get the grant, then we have a bigger issue because the cost is almost \$2.3M. There are no Capital
7 Projects for next year at this location.

8
9 Councilor Liot Hill wanted to make sure we (the City) are showing tangible support for the work people
10 are doing in West Lebanon. Maybe there are some discretionary funds the City Manager can find to do a
11 Beautification Project in West Lebanon.

- 12
13 4. Councilor Liot Hill was really struck by the presentation from Human Services and thinking
14 about the needs City residents and the City are anticipating this coming winter in terms of the
15 increasing costs for housing, housing security, food security and utilities. She felt additional
16 (Human Services) staff support could potentially be helpful. Even if it seems more acute this
17 winter, it seems this is a problem because Lebanon, for better or worse, is the center of a much
18 larger area. People know there are resources here that they need, and was personally glad that
19 when people are in need they have a place to go. This issue is also connected to what the
20 Lebanon Police Chief was seeing throughout the City (i.e., aggressive behavior and increased
21 levels of stress, tension, anxiety and other alarming behavior throughout the City).

22
23 Mayor McNamara spoke about the meeting he had with the Mayors and Business of Economic Affairs
24 Commissioner Taylor Caswell last week. What they found out is that under the existing Emergency
25 Rental Assistance Program (ERAP) Program they were housing approximately 700 +/- people State-wide.
26 It was interesting for him to hear that number because he realized, based on the testimony that Lynne
27 Goodwin gave, about 60 of those were Lebanon residents, which is almost 10% of the total number of
28 individuals housed by ERAP. He was encouraged by the additional \$20M from the State that will get
29 Lebanon through April/May (2023). He was also encouraged about an additional \$13M being considered
30 by the NH Executive Council. The comment he made to Mr. Caswell was that we will not be getting
31 these funds every winter and asked her if there was portion of the roughly \$400M from Federal Funds that
32 the State receives that could go toward longer-term solutions. He felt it would be short sighted to not
33 devote a significant portion of these funds looking for permanent solutions. He also reached out to other
34 Mayors to see if we/they can get our staffs together to work on this issue that could then be presented to
35 the State. He noted there is a lot of space between looking for hotel rooms by the night and building
36 multi-million dollar new complexes and felt purchasing existing hotels and converting them into
37 apartment units could be a solution. These are some of the things in the middle that would have a lot of
38 impact for less money down the road rather than spending \$289/night for a hotel room. The next thing
39 would be to try and make sure that all communities are treated fairly. We need to find ways that all
40 communities are accountable for their residents.

41
42 Councilor Liot Hill noted that if people do not have resources in their communities, at the very least, the
43 communities should be contributing toward the costs of providing services to their residents due to the
44 rising costs of services.

45
46 Mayor McNamara also spoke to some of the State representatives noting that it is not just a question of
47 renting somebody a hotel room. If there is not a wraparound service to go along with this, then it is all

1 the more likely that people will not be able to get out of the situation they are in. One of the things we
2 have seen in our current situation is that there were no wraparound services. If you are going to give this
3 ERAP money to various non-profits, do not let them just use it to rent hotel rooms. Let's make this a real
4 program that not only houses people but also attempts to get them into a better situation.

5
6 Councilor Sykes spoke about the esoteric part of this issue by stating he would like to believe that
7 budgets, which are a reflection of our priorities, should always be that way. Secondly to this, we
8 should be thinking about how we are as a society, not how we are managing funds. How our society
9 looks at the least amongst them is the best reflection of what kind of society we have. We should be less
10 concerned about how people got here (Lebanon) and be less concerned about whether they "are our
11 problem." He felt we should be more concerned about looking at long-term solutions. He spoke about
12 his support for additional staffing in the Human Services Department to help coordinate wraparound
13 services as effectively as possible. He also believed that it is, in the long run, short money because if we
14 can help people weather this winter and further help them take care of themselves in the future by
15 providing some stability in their lives, this tends to make societal benefits (i.e., keeping them out of jail,
16 hospital, further addicted, and homeless). In his mind, it is a moral imperative to do something.

17
18 Councilor Wilkie echoed his support for this discussion/prioritization, noting each year he has been on the
19 Council there has been some variation of support services that have been a priority among Councilors.
20 Whether or not we can create some calculus to determine where somebody was from, the fact is that
21 somebody who is in Lebanon is residing in Lebanon. He thought this should include people who, if their
22 needs are not being met elsewhere (i.e., hospital access, jobs, need transportation to get to those) it is
23 absolutely integral that we address their needs and the needs of Lebanon's staff. He also pointed out that
24 when we are talking about permanent solutions, low barrier shelters should also be considered in the
25 foreseeable future. We need shelter for the people who are not being sheltered and transitional housing is
26 part of the continuum that should be considered.

27
28 At the request of Councilor Liot Hill, Human Services Director Lynne Goodwin stated a quote she made
29 earlier during her Human Services review of their budget: "Housing ends homelessness/Shelters save
30 lives."

31
32 City Manager Mulholland noted that in the Pilot Program negotiations with Alice Peck Day Hospital, the
33 City asked for an additional social worker. APD agreed to this, which was then funded by the LISTEN
34 Center. They just extended their program until June 2023. There is a large amount of funds to help deal
35 with the mental issues, etc., but the issue is that APD/West Central Services cannot find qualified workers
36 to hire.

37
38 Councilor Simon echoed his support for West Lebanon. He realizes the City has spent a lot of money but
39 anything we can do to help promote West Lebanon, we need to keep going, and urged the Council to
40 continue in that direction. Secondly, he also echoed support for Human Services and was also taken back
41 by the Human Services presentation on their budget and what the City is facing as a community. He
42 personally thanked the Mayor for taking the lead, not only for our community but for a lot of
43 communities across the State and was proud he is his Mayor. He would like to see, whether it is half-time
44 or full-time, assistance for Human Services because their workload is very daunting at the present time.
45 If they are not able to collect the information they need in a timely manner, it makes their job even harder.
46 Lastly, he wanted to also bring up the roads by bringing back the position DPW is requesting and spoke

1 about his reasons why this should be a priority. Everybody uses the roads and funding is needed so DPW
2 can continue to repair/take care of our roads.

3
4 City Manager Mulholland explained and gave his reasons why the City would be spending approximately
5 \$25K for a right-to-know request from Tri-County CAP. As a consequence of this request, he will need
6 to hire someone to go through every document in the Human Services Department. While Human
7 Services will be getting additional help, it will not be helping anyone at the end of the day. He further
8 explained why he thought the right-to-know request was a waste of taxpayer dollars.

9
10 Councilor Sykes noted that we have obligations that we wish other organizations would take care of, and
11 there will be many steps taken on many fronts to try and fix some of these issues. We need to be focused
12 on what this City is doing for the people who need services in this City and fix the other problems as we
13 can.

14
15 Councilor Whittlesey spoke about his support to add a full-time position for the Human Services
16 Department, which would help with the very acute, urgent issues they are now facing. We have acute,
17 urgent needs that need to be solved because this issue is not going to go away. He also expressed his
18 support for finding solutions (i.e., through CIPs/Other) to address the long-term systemic issues, noting
19 that when funding runs out, people will be out on the streets in Lebanon, which is what we are trying to
20 address.

21
22 Assistant Mayor Below clarified that this additional funding that the Governor and Council recently
23 approved (\$20M) was, as he understands, targeted towards just those people who are in the temporary
24 housing ERAP Program, not for the rental assistance that had been part of the larger program. While this
25 provides some relief, what we are expecting is that everyone who is in a hotel rooms by the first of the
26 year will be kicked out. However, these funds will be extended for that group at this point in time. While
27 we are facing a very difficult circumstance, it is not as extreme as it was when we were looking at Ms.
28 Goodwin's presentation. He also spoke about the residents who have lost, or will be losing, their rentals
29 due to properties being purchased by developers/others who are renovating properties in order to get
30 higher rents. This is creating a problem for both tenants and employers.

31
32 Councilor Sykes concurred with Assistant Mayor Below and spoke about how this would exacerbate the
33 housing problem by placing more people on the streets that will not be funded by the State. He spoke
34 about the difficulties in not having clear, reasonable data, which we seem to be unable to get. If staffing
35 were available in the Human Services office, we could examine other opportunities on how to achieve the
36 needed data without other agencies.

37
38 In response to Councilor Sykes question regarding the Undesignated Fund Balance, City Manager
39 Mulholland noted that in 2022, the City estimated there was +/- \$11.8M available but then it draws down
40 to \$6,851,395 by 2025. *(See chart on page 8, Council agenda packet.)* We are spending the Unassigned
41 Fund Balance faster than anticipated. He has been revisiting these numbers and will have a better chart
42 for the Council to review as we get closer to the Budget Hearing on December 14, 2022.

43
44 Councilor Liot Hill thought there was some consensus around targeting additional resources towards
45 Human Services and was interested in hearing about other thoughts from the Council regarding West
46 Lebanon and adding a new position to DPW. She will be looking at the meeting on December 7, 2022, to
47 hear responses from Staff to address some of the issues raised.

1
2 City Manager Mulholland noted the most immediate need is not necessarily more staff in the Human
3 Services office, it is dealing with money that is already out there and having it be used appropriately for
4 long-term solutions. He further talked about the State ARPA funds, noting it would be nice to use these
5 funds for longer-term solutions (i.e., building a low barrier shelter and operating funds, using existing
6 structures to build housing, etc.). He also spoke about the debt limitations he is facing with the City's
7 proposed budget for 2023 and moving forward.

8
9 Councilor Liot Hill requested the City Manager put together a memo regarding the points he made at this
10 meeting and would welcome his thoughts of what the next steps should be.

11
12 City of Lebanon 2023 Operating Budget found at: <https://lebanonnh.gov/1655>
13

14 **ADJOURNMENT:**

15 **Meeting was Adjourned at 6:41.**

16
17 Respectfully submitted,
18 Dona E. Gibson
19 Recording Secretary

DRAFT

**LEBANON CITY COUNCIL
REGULAR SESSION MINUTES
Wednesday, December 7, 2022, 7:00 p.m.
Remote Via Microsoft Teams: 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, and Karen Zook

MEMBERS ABSENT:

STAFF PRESENT: City Manager Shaun Mulholland, Deputy City Manager David Brooks, City Clerk Kristin Kenniston, Director of Planning & Development Nathan Reichert, Senior Planner Tim Corwin, Finance Director Vicki Lee, Deputy Finance Director Alesia Williams, Human Resources Director Gloria Leskiewicz, Chief of Police Phillip Roberts, Assistant Fire Chief Jeff Libbey, Public Works Assistant Director Jay Cairelli, Solid Waste Manager Erica Douglas, Recreation, Arts & Parks Director Paul Coats, Recreation, Arts & Parks Program Coordinator Meagan Henry, Airport Director Carl Gross, Human Services Director Lynne Goodwin, Chief Innovation Officer Melanie McDonough, Cyber Services Director Perry Eaton

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

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

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

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

4. OPEN TO PUBLIC: No one came forth.

5. RECOGNITIONS: NONE

6. ACCEPTANCE OF MINUTES:

- November 9, 2022 (Budget Work Session)
- November 10, 2022 (Budget Work Session)
- November 14, 2022 (Budget Work Session)
- November 16, 2022 (Regular Meeting)

Councilor Heistad MOVED to approve the November 9, 2022, Budget Work Session, the November 10, 2022 Budget Work Session, the November 14, 2022 Budget Work Session, and the November 16 Regular Session minutes as written and presented in the December 7, 2022 City Council agenda packet.

Seconded by Councilor Whittlesey.

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

1 **7. APPOINTMENTS:**

- 2 • Diversity, Equity & Inclusion, Keiselim Montas (Reappointment Regular Member)

3 ***Councilor Wilkie put forth the NOMINATION of Keiselim Montas (Reappointment***
4 ***Regular Member) to the Diversity, Equity & Inclusion Committee. Two Year Term:***
5 ***(12/22-12/24)***

6 ***Seconded by Councilor Whittlesey.***

7 ****The Vote on the NOMINATION was approved by members present (8-0).***

- 8
9 • Zoning Board of Adjustment, Paul McDonough (Appointment as Regular Member;
10 currently serving on ZBA as an Alternate Member)

11 ***Councilor Liot Hill put forth the NOMINATION of Paul McDonough (Appointment as a Regular***
12 ***Member) to the Zoning Board of Adjustment. Two Year: (12/22-12/25)***

13 ***Seconded by Councilor Whittlesey.***

14 ****The Vote on the NOMINATION was approved by members present (8-0).***

- 15
16 • Conservation Commission, Bruce James (Reappointment Regular Member)

17 ***Councilor Heistad put forth the NOMINATION of Bruce James (Reappointment Regular Member) to***
18 ***the Conservation Commission. Two Year Term: (12/22-12/25)***

19 ***Seconded by Councilor Whittlesey.***

20 ****The Vote on the NOMINATION was approved by members present (8-0).***

- 21
22 • Conservation Commission, Christopher Johnson (Reappointment Regular Member)

23 ***Councilor Heistad put forth the NOMINATION of Christopher Johnson (Reappointment Regular***
24 ***Member) to the Conservation Commission. Two Year Term: (12/22-12/25)***

25 ***Seconded by Councilor Heistad.***

26 ****The Vote on the NOMINATION was approved by members present (8-0)***

- 27
28 • Board of Cemetery Trustees, Antonio Palazzo (Reappointment Ward 3 Representative)

29 ***Councilor Liot Hill put forth the NOMINATION of Antonio Palazzo (Reappointment Ward 3***
30 ***Representative) to the Board of Cemetery Trustees. Two Year Term: (12/22-12/25)***

31 ***Seconded by Councilor Sykes.***

32 ****The Vote on the NOMINATION was approved by members present (8-0)***

- 33
34 • Arts & Culture Commission, Jessica Giordani (Changing appointment of current term (8/22-
35 8/25) from Ward 3 Representative to Ward 2 Representative, due to address change and recent
36 vacancy)

37 ***Councilor Wilkie put forth the NOMINATION of Jessica Giordani to change her current term (8/22-***
38 ***8/25) from Ward 3 Representative to Ward 2 Representative, due to address change and recent***
39 ***vacancy)***

40 ***Seconded by Councilor Liot Hill.***

41 ****The Vote on the NOMINATION was approved by members present (8-0)***

42
43 **8. PUBLIC HEARING ITEMS:**

44 **A. ORDINANCE #2022-05** – A public hearing for the purpose of receiving public input and taking
45 action to amend City Code Chapter 68, Fees, Article III, Miscellaneous Fees, §68- 15,
46 Enumeration of Fees, to authorize an increase in Ambulance Fees
47
48

1 Included in the agenda packet:

- 2 1. Proposed Ordinance #2022-05 (*Pages 73-80 , City Council agenda packet*)
- 3 2. October 31, 2022, memorandum from Fire Chief Wheatley regarding Ambulance Service Rate
- 4 Increase
- 5 2. Lebanon Fire Department Ambulance Fee Schedule Change Proposal
- 6 3. Ambulance Service Comparative Rate Study

7
8 LPD Chief Wheatley and Assistant LPD Chief Jeff Libbey were present. Fire Chief Wheatley reviewed
9 the proposed Ambulance Service rate increases.

10 11 **BACKGROUND**

12 A comprehensive review of existing ambulance fees and a comparison to other EMS transport services
13 throughout the state and region was completed by the Lebanon Fire Department in 2021, and an 8%
14 increase in ambulance services rates occurred for 2022. Since then, calls for service have increased 5%
15 and there has been an increase in ambulance amortization schedules and maintenance. Fire Chief
16 Wheatley proposed a 7.9% increase to keep up with the cost of living in ambulance service rates for 2023
17 bringing the City's fees closer to the average. Even with this increase we are still going to be just below
18 the average of all the other communities providing this service. Please see memo from Chief Wheatley in
19 the City Council agenda packet for more details.

20
21 **Mayor McNamara opened the Public Hearing to the public. Hearing no comments from the public,**
22 **the Public Hearing was closed.**

23
24 Council Comments:

25 In response to Assistant Mayor Below's question regarding when ambulance mileage fees start, Chief
26 Wheatley explained those begin at the time the patient is picked up at the scene (regardless of location)
27 and ends when the patient arrives at the hospital.

28 29 **ACTION:**

30 ***Councilor Wilkie MOVED, that the Lebanon City Council hereby adopts Ordinance #2022-05 to amend***
31 ***City Code Chapter 68, Fees, Article III, Miscellaneous Fees, §68-15, Enumeration of Fees, to authorize***
32 ***an increase in ambulance fees.***

33 ***Seconded by Councilor Simon.***

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

35 36 **CITY OF LEBANON ORDINANCE #2022-05**

37
38 AN ORDINANCE TO AMEND the Code of the City of Lebanon, Chapter 68, Fees, Article III,
39 Miscellaneous Fees, by amending §68-15, Enumeration of Fees.

40
41 BE IT ORDAINED, by the City Council of the City of Lebanon, as follows:

42 43 **Section 1:**

44
45 The Code of the City of Lebanon is hereby amended to revise Chapter 68, Fees, Article III, Miscellaneous
46 Fees, by amending §68-15, Enumeration of Fees, for the purpose of increasing ambulance fees as follows:

47
48 E. Ambulance fees shall be as follows:
49

- (1) Basic Life Support, resident: ~~\$577.37~~ \$622.98
- (2) Basic Life Support, nonresident: ~~\$643.26~~ \$694.08
- (3) Advanced Life Support 1, resident: ~~\$1,062.29~~ \$1,146.20
- (4) Advanced Life Support 1, nonresident: ~~\$1,140.72~~ \$1,230.84
- (5) Advanced Life Support 2, resident: ~~\$1,594.74~~ \$1,720.72
- (6) Advanced Life Support 2, nonresident: ~~\$1,707.95~~ \$1,842.88
- (7) Specialty Care Transport: ~~\$2,083.78~~ \$2,248.40
- (8) Mileage: ~~\$13.88~~ \$14.98
- (9) Co-pay Waiver, resident: ~~\$108.70~~ \$117.29
- (10) Advanced Life Support, no transport: ~~\$489.15~~ \$527.79

Section 2: Severability

The provisions of this ordinance are declared to be severable, and if any section, subsection, sentence, clause or part thereof is, for any reason, held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of any remaining sections, subsections, sentences, clauses or part of this ordinance.

Section 3: Effective Date

This ordinance shall become effective January 1, 2023.

Councilor Zook arrived at approximately 7:17 PM.

- B. ORDINANCE #2022-06** – A public hearing for the purpose of receiving public input and taking action to amend City Code Chapter 72, Fire Prevention, by updating the current fee schedule

Included in agenda packet: *(Pages 81-88, Council agenda packet)*

1. Ordinance #2022-06
2. October 31, 2022 Memorandum from Fire Chief Wheatley re: Fire Prevention Inspection Fee Schedule Updates
3. October 2022 Fire Inspection Comparative Fee Schedule

BACKGROUND

Fire Chief Wheatley was requesting that the Council take action to update the current fee structure for certain fire prevention inspections, noting the amendment includes increases for three portions of this chapter which includes the following:

- Fire Alarm and Sprinkler retest inspections: Currently the charge is \$100/hr. However, they are beginning to see that when they go to do the initial inspections, and if things are not where they need to be, they need to come back and do another inspection. There will be a \$300 flat fee for a re-inspection to offset staff hours.
- Above Ground Propane Storage Tank: Currently there is no fee for this in the Chapter. We are averaging about 45/month, which is a significant cost for travel and staff hours. For the 200-499 gallons there will be a flat fee of \$35. For the above ground 500/gallon tanks They propose a \$50 flat fee.
- Blasting Permits: They have seen an increase in these permits related to a lot of the new development. Currently the initial permit is \$100 and a renewal is \$50. They propose increasing

1 the initial charges to \$150 for up to 31/days, and the renewal would remain at \$150.

2
3 For further explanation, please see the attached memorandum dated October 31, 2022, from Fire Chief
4 Wheatley.

5
6 **Mayor McNamara opened the Public Hearing to the public. Hearing no comments from the public,**
7 **the Public Hearing was closed.**

8
9 **ACTION:**

10 ***Councilor Liot Hill MOVED that the Lebanon City Council hereby adopts Ordinance #2022-06 to***
11 ***amend City Code Chapter 72, Fire Prevention, by updating the current fee schedule.***

12 ***Seconded by Councilor Heistad.***

13
14 Councilor Wilkie noted that on page 84 of the Council's agenda packet, it looked like Fire
15 Alarms/Suppression Acceptance Testing was listed at becoming \$300/hr. from \$100/hr. It sounded like
16 the intention was not to increase this charge to \$300/hr. but to have a retest at a flat fee of \$300. He
17 questioned if there should be an amendment (to the motion) or if this what is listed is intended. Chief
18 Wheatley noted that what is listed is incorrect because they are looking at \$100/hr. for the initial visit and
19 then if they have to go back for a reinspection, it is a \$300 flat fee.

20
21 Councilor Liot Hill noted there should be another line added to read Fire Alarm/Suppression Acceptance
22 Retest \$300.

23
24 ***Councilor Liot Hill MOVED to amend the Motion so that under Service Fees, the line will state Fire***
25 ***Alarm/Suppression Acceptance Testing \$100/hr. and another line will be added below that says Fire***
26 ***Alarm/Suppression Acceptance Retesting \$300/hr.***

27 ***Seconded by Councilor Heistad***

28
29 ****The Vote on the Motion was approved (9-0)***

30
31 CITY OF LEBANON
32 ORDINANCE #2022-06

33
34 AN ORDINANCE TO AMEND the Code of the City of Lebanon, Chapter 72, Fire Prevention, Article
35 V, Fees, by amending §72-43, Fire Prevention Fees.

36
37 BE IT ORDAINED, by the City Council of the City of Lebanon, as follows:

38
39 **Section 1:**

40
41 The Code of the City of Lebanon is hereby amended to revise Chapter 72, Fire Prevention, Article V,
42 Fees, by amending §72-43, Fire Prevention Fees, for the purpose of increasing fire prevention fees as
43 follows:

44	45	46	47
	Service	Fee	
	Plan Review		
	PURD (Site Plan)	\$125	

1	PUD (Site Plan)	\$125
2	Commercial (Site Plan)	\$125
3	Special Hazards Plan Review (At discretion of AHJ)	\$340
4	New Fire Protection System Plan Review	
5	Water Spray or Foam Systems:	
6	5,000 square feet or less	\$225
7	5,001 to 10,000 square feet	\$370
8	Greater than 10,001 square feet	\$600
9	Sprinkler Systems	
10	13D Systems	\$0
11	13R Systems	\$135
12	13 Systems:	
13	10,000 square feet or less	\$275
14	10,001 to 25,000 square feet	\$400
15	25,001 to 52,000 square feet	\$600
16	New Fire Alarm Systems:	
17	0 to 49 devices	\$150
18	50 to 99 devices	\$300
19	Greater than 99 devices	\$450
20	Other Fire Suppression Systems:	
21	Pre-engineered	\$200
22	Engineered	\$300
23	New Fire Pump Plan Review	\$350
24	New Underground Cistern Plan Review	\$250
25	Modifications to Existing Systems Plan Review	
26	Water Spray or Foam:	
27	Service	Fee
28	1 to 6 heads	\$40
29	7 to 20 heads	\$150
30	Greater than 21 heads	\$300
31	Sprinkler Systems:	
32	1 to 6 heads	\$50
33	7 to 20 heads	\$150
34	Greater than 21 heads	\$300
35	Existing Fire Alarm:	
36	1 to 10 devices	\$75
37	11 to 100 devices	\$150
38	Greater than 100 devices	\$300
39	Fire Prevention Permits:	
40	Annual Flammable Liquid Permit:	

1	Greater than 2,500 gallons	\$475
2	Annual Flammable Gas Permit (CNG, LNG, LPG):	
3	3,000 to 30,000 water capacity gallons aggregate	\$150
4	Greater than 30,000 water capacity gallons aggregate	\$300
5	Annual Poisonous Gas:	
6	Greater than 60 gallons	\$160
	Hot Work Permit	\$75
	Blasting Permit:	
	Initial Fee	\$100 <u>\$150 up to 31 days</u>
	Renewal	\$50 <u>\$150</u>
7	Fire Prevention Inspections	
8	Oil Burners:	
9	Residential	\$0
10	Commercial	\$125
11	Propane Furnaces:	
12	Residential	\$0
13	Commercial	\$125
14	Underground Fuel Storage Tanks:	
15	Residential	\$0
16	Commercial	\$125
17	<u>New or Replacement LPG cylinders (20-499 gallons)</u>	<u>\$35</u>
18	<u>Above Ground 500 gallon and above</u>	<u>\$50</u>
19	Airport Fuel Farm Inspection	
20		\$1
21	40 Day Care and Foster Care:	
22	Family, 1 to 6 children	\$0
23	Group, 7 to 12 children	\$0
24	Day Care Centers 13+ children	\$75
25	Service	Fee
	Foster Care Inspections	\$0
	Annual Place of Assembly Inspection:	\$110
	Annual Rooming/Lodging House Inspection:	
	12 rooms or greater	\$180
	Fire Alarm/Suppression Acceptance Testing	\$100 \$300 per hour
	Tents and Membrane Structure Inspections:	
	Greater than 200 square feet	\$40
	Greater than 400 square feet	\$80
26		
27		

Section 2: Severability

The provisions of this ordinance are declared to be severable, and if any section, subsection, sentence, clause or part thereof is, for any reason, held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of any remaining sections, subsections, sentences, clauses or part of this ordinance.

Section 3: Effective Date

This ordinance shall become effective January 1, 2023.

C. ORDINANCE #2022-07 - A public hearing for the purpose of receiving public input and taking action to amend City Code Chapter 97, Landfill Regulations, Appendix A by updating the current fee schedule

Included in agenda packet: *(NOTE: Please refer to pages 89-100, Council agenda packet for complete details on the proposed amendment to City Code Chapter 97, Landfill Regulations and to review the presentation given by Solid Waste Manager Erica Douglas)*

1. Ordinance #2022-07
2. 2023 Proposed Solid Waste Fee Increase Presentation *(Pages 93-98. Council agenda packet.)*

BACKGROUND

City Code Chapter 97, Landfill Regulations, was fully updated in July 2019 to incorporate the language from the former Chapter 143, Solid Waste, (which was repealed on July 24, 2019), and to include a fee schedule for disposal of refuse and recycling of certain materials. The fee schedule is to be reviewed annually for possible updates based on current market rates.

Solid Waste Manager Erica Douglas noted that in Lebanon they 8 full-time staff operating Lebanon's facilities 6 days/week. They are serving 23 communities in NH/VT, which is about 80K people. When you look at the manpower and the equipment that it takes to handle the residential trash vs. the commercial trash, the commercial side is a much more automated process and there is very little staff time used to process this. On the residential side, we have about 1.5 employees that are currently taking care of the scale house and they also end up having to act as a heavy equipment operator and loader to maintain the dumpsters about 3x's/day. There is a lot more manpower going into the residential side.

**Employee and Equipment Cost
Comparison to handle trash**

Cost for Residential Handling: \$309,000 per year*

Cost for Commercial Handling: \$74,000 per year*

Proposed Ticket Sales for 2023= \$650,660

47% of the cost for residential waste is handling and equipment*

Mind the Gap-Maintain current price

- If Punch Cards costs are maintained at the current rate a budget shortfall will need to be made up \$163,000
- To make up the difference a Tip Fee of \$84.00 per ton would be required, a little over a 9% increase.

Resident Curbside Pickup Breakdown

- We have 2,776 single family homes in Lebanon
- We have 4,149 multifamily homes in Lebanon
- Over 33% of single family homes in Lebanon have curbside pickup*

The slide below shows what they are proposing, what the 3% increase/yr. would look like. Note: Cost per ton is referred to as a Tip Fee, and the chart presumes there will be no change in the tonnage.

Gradual Rate Increase of 3%*

	2022	2023	2024	2025	2026	2027	2028
Projected Sales with 3 %	\$ 2,616,300	\$ 2,694,789	\$ 2,775,633	\$ 2,858,902	\$ 2,944,669	\$ 3,033,009	\$ 3,123,999
Cost per ton	\$ 76.50	\$ 78.80	\$ 81.16	\$ 83.59	\$ 86.10	\$ 88.68	\$ 91.35

Ms. Douglas noted there are advantages for people coming in to do their residential trash because they can do their residential recycling at the same time. Unfortunately, the recycling sales that are generated do not make up the difference for what it actually costs to run the recycling center, so this is actually subsidized by the landfill. They have actually seen a huge drop off in the revenues of recycling, which is very dependent on the economy.

City Manager Mulholland wanted to make it clear that 33%+/- of the City's 2,700 residents who live in single family homes have curbside pickup. The biggest issue is the number of people who live in apartments. Most of these people have either curbside pickup or they have a dumpster and are paying the commercial rate, which Lebanon residents would be subsidizing. We are proposing a 3% gradual increase instead of a flat 9% fee increase to make up the shortfall in revenue, noting we would rather see smaller increases like they have done with water/sewer to try and minimize the impact on people.

1 Mayor McNamara clarified that what they are proposing is basically a 3% increase per year in the tipping
2 fee that commercial haulers pay to come across the scales at the landfill. This time, for the residential
3 customers we are going from \$1.50/bag to \$2.00/bag and questioned if this was the only increase
4 residents would see for a while. City Manager Mulholland noted he does not have a plan to increase
5 residential fees, it is the commercial rate they are focusing on, but even that does not change the disparity
6 talked about.

7
8 **Mayor McNamara opened the Public Hearing to the public and the following came forth to speak:**

- 9 • *Mr. David Allen, General Manager for Casella Services:* They provide services to the Upper
10 Valley and throughout New England. He noted that whatever the price is adjusted to, they will
11 pass that on to their customers but requested the Council give them more notice time because they
12 have to notify their customers. They are asking for a minimum of 45 days, but thought it might
13 be 60 days. He also offered Casella's assistance in any way they can, noting their expertise in
14 certain areas.

15
16 City Manager Mulholland stated the City has notified all the municipalities well in advance of the 3%
17 proposed increase. If the Council is going to change the notice that has already been provided, another
18 notice will need to be sent out to all the providers. If the Council choses to adjust the timeframe for rate
19 increases, he suggested keeping the commercial 3% increase for the months of January/February 2023 so
20 there would not be a revenue shortfall.

21
22 In response to Mayor McNamara's question, Mr. Allen noted Casella has not informed their customers of
23 the 3% increase in fees.

24
25 **Hearing no further comments from the public, the Public Hearing was closed.**

26
27 **Council Comments:**

28 Mayor McNamara noted that when this first came up, he had lot of questions, and the information that
29 Ms. Douglas provided was in response to those questions (mostly about equity for residential customers).
30 At the time, he did not fully understand the costs associated in dealing with the different types of waste
31 streams, but now he understands this much better. While he does not like to see any fees increase, he
32 understands the rationale behind the differentiation on the residential punch card/commercial fees.

33
34 Councilor Sykes spoke about the increase in the punch cards, noting the increase is minimal.

35
36 Councilor Whittlesey spoke about composting and questioned if this would be free. City Manager
37 Mulholland noted that right now it is a free service. The goal is to encourage more people to produce less
38 trash.

39
40 Councilor Sykes questioned if there would an effort to educate people on composting. Ms. Douglas noted
41 they would be doing a lot more outreach/campaigns in the future. There is a fantastic app. on their
42 website called "Better Bins" where items can be scanned to determine if they can be recycled at the
43 Lebanon Landfill. New items are constantly being added.

44
45 Councilor Wilkie was pleased to see the landfill price per ton comparison and was curious if there was
46 any insight into what the per bag rate would be. Ms. Douglas said this would be difficult because all of
47 the public facilities like Nashua are subsidized by the taxpayers as opposed to Lebanon's facility which is

not. She also explained why bags cannot be weighed but noted a good go-by is about a 1 lb./gal., so a 30/gal. bag would be about 30 lbs.

Councilor Liot Hill spoke about the high operating costs to run the landfill service and suggested the Council/staff should rethink some of their assumptions from the past. She also wanted to make it very clear that she does not support “pink bags” and wanted to make sure these will not be moving forward until there is further discussion.

Councilor Wilkie spoke about his reasons to incentivize/maximize recycling to keep unnecessary items out of the landfill.

City Manager Mulholland spoke about the caveats, noting the City does not have the costs for Phase III and IV for the landfill yet. We also do not have the costs for dealing with PFAS, so the 3% increase does not include those issues. When we find out what the costs will be, this will change. It will take several years for the cost of PFAS to unravel, noting the EPA is not expected to have standards for drinking water for at least 5-years, never mind soil/wastewater/sludge/etc., which will affect Lebanon’s landfill. The State, on the other hand, could enact standards that would require the City to act more quickly.

Councilor Heistad spoke about the value of the landfill and the long-term costs of what the landfill is taking up from the City of Lebanon, noting the material in the landfill will be there forever.

ACTION:

Councilor Sykes MOVED that the Lebanon City Council hereby adopts Ordinance #2022-07 to amend the Code of the City of Lebanon, Chapter 97, Landfill Regulations, Appendix A, Fee Schedule. Seconded by Councilor Heistad.

****The Vote on the Motion was approved (9-0)***

**CITY OF LEBANON
ORDINANCE # 2022-07**

AN ORDINANCE TO AMEND Chapter 97, Landfill Regulations, of the Code of the City of Lebanon, Appendix A, Fee Schedule.

BE IT ORDAINED, by the City Council of the City of Lebanon as follows:

The Code of the City of Lebanon, Chapter 97, Landfill Regulations, Appendix A, Fee Schedule for Disposal at the Landfill Solid Waste Facility, is amended as follows:

Item	Fee
MSW – Commercial	\$76.50/ton <u>\$78.80/ton</u>
MSW – Residential	\$1.50 <u>\$2.00</u> /household bag \$3 <u>\$4.00</u> /contractor bag \$15 <u>\$20.00</u> per punch card
Minimum Load – Scale Use (200lbs)	MSW - \$10.00 (6 <u>5</u> punches) C&D - \$15.00 <u>\$16.00</u> (40 <u>8</u> punches) Bulky - \$12.00 (8 <u>6</u> punches)

Construction and demolition debris – commercial NOTE: This does not include mixed aggregates	\$150/ton
Construction and demolition debris – residential	1 punch = 20 lbs. of C&D 1 card = 200 lbs. of C&D
Mattresses	\$9 per item (6 punches) <u>\$10 per item (5 punches)</u> \$120/ton (oversized bulky waste rate)
Furniture	\$9 per item (6 punches) <u>\$10 per item (5 punches)</u> \$120/ton
Tires	\$7.50/tire <u>\$10.00/tire (5 punches)</u> \$175/ton <u>farm/construction tires</u>
Yard trimmings and brush	\$15/ton for loads larger than 2 cubic yards
Bulk loads of glass, asphalt, brick and concrete and mixed aggregate	\$30/ton
Electronic waste – monitors and TVs	\$21/item (14 punches) <u>\$20/item (10 punches)</u> \$0.30/lb. on CRTs larger than 27"
Electronic waste – solar panels	\$30/panel <u>\$40/panel (20 punches)</u>
Electronic devices – DVD, VCR, stereo, etc.	\$9/item (6 punches) <u>\$10/item (5 punches)</u>
Freon-containing devices	\$21/unit (14 punches) <u>\$20/unit (10 punches)</u>
Fluorescent bulbs	\$0.15/ft.
Compact fluorescent lamps (CFLs)	\$0.60/each
Cover materials	\$15/ton
Food waste	\$50/ton
Food scraps – household	1 punch card (10 punches) until June 30 ½ punch card (5 punches) July 1 and after <u>No charge for food scrap composting</u>
Pressurized cylinders – fire extinguishers and propane tanks	\$12/tank
Small pressurized tanks	\$1.50/each
Equipment Assist	\$50
<u>Scale Use Fee</u>	<u>\$10</u>

Section 2. Severability

The provisions of this ordinance are declared to be severable, and if any section, subsection, sentence, clause or part thereof is, for any reason, held to be invalid or unconstitutional by a court of competent jurisdictions, such decisions shall not affect the validity of any remaining sections, subsections, sentences, clauses or part of this ordinance.

Section 3. Effective Date.

This ordinance shall become effective January 1, 2023.

D. ORDINANCE #2022-08 - A public hearing for the purpose of receiving public input and taking action to amend City Code Chapter 68, Fees, Article III, Miscellaneous Fees, §68- 15, Enumeration of Fees, to authorize an 8% increase to the Water Service Rate and a 7.2% increase to the Sewer Service Rate.

Included in agenda packet: *(Pages 101-104, Council agenda packet)*

1. Ordinance #2022-08

City Manager Mulholland reviewed the amendment to City Code Chapter Fees to increase the Water Service Rate by 8% and the Sewer Service Rate by 7.2%. He noted this does not include the need for the additional well for the water distribution system that would go from the well to our tanks to provide an alternate source of water to the City of Lebanon, which a critical need for the City. Those numbers will probably not be available until sometime next year.

BACKGROUND

An increase of 8.0% to the Water Service Rate (base user rate and minimum charge) and 7.2% to the Sewer Service Rate (base user rates, minimum charge, and residential flat rate), effective January 1, 2023, is being requested.

The proposed increases are in-line with projections offered by Raftelis as part of the 2018 Water and Sewer Rate Study and are suggested in order to provide current and future resources to absorb projected operations and maintenance and debt service expenses in both enterprise funds.

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

Council Comments:

Councilor Simon spoke about an email he received from a constituent who wanted a response from the Council to a few questions since they were unable to attend tonight's meeting. Questions/responses are as follows:

- Examine how much the City paid for the consultant and how much can the City save here by not hiring out an out-of-state consultant.
Response: City Manager Mulholland noted that Raftelis built the model for the City so we can do this ourselves.
- Has the City considered layoffs, freezing wages, or managing overtime?
Response: City Manager Mulholland said "No" to all because the City can barely keep up with the tasks that we have right now, which also relates to the overtime. It takes a certain number of staff to be able to do the work (i.e., run the water plant and the distribution system throughout the City). As far as freezing wages, it is difficult to get people to fill these technical positions as is. In terms of the overtime, dealing with emergencies is where most of the overtime is coming from. For a hiring freeze, it takes a certain number of people to run the water plant and also be able to maintain the lines each year so we do not have a problem.
- What are other cost cutting measures available and can the City put off buying new equipment for a while?
Response: City Manager Mulholland noted the biggest cost was the upgrade to the Water Treatment Plant (\$3.4M), noting pumps that had to be replaced. There was a number of cost cutting measures across the City in terms of digitization and the plant (water/sewer) upgrade to reduce the number of chemicals the City uses. There is a whole plan to reduce costs (i.e., senior staff is retiring and being replaced by people whose salaries are less, but is overshadowed by the increase in retirement costs, health insurance, etc.).

Mayor McNamara noted the City has evaluated all the opportunities for cost stabilization and acted on what we can, but cutting salaries/personnel was just not an option.

Councilor Whittlesey noted that water/sewer treatment is a very capital intensive process and some of this is the CSO. Water/sewer treatment is not what we want to cut out due to possible unintended consequences that could cause system-wide failures (i.e., other City's that have boil water orders). He would like to be drinking water out of the tap rather than cut 2% of the increase. The investment in water/sewer is critical to maintaining a quality standard of living.

Councilor Sykes concurred with Councilor Whittlesey, noting the City is forward-leaning in terms of many of the issues we face. If you look around the world and many places in the US, access to good, clean water is going to be more of a problem in the future. The City needs to be on top of this so we are not facing the kinds of crises other communities have.

City Manager Mulholland spoke about climate change, noting the number of high heat days will continue to grow and will result in more drought issues. It is important for the City to drill that well to give us an alternate source of water. He also spoke about the cyanobacteria getting worse for municipalities who use surface water. The EPA (Environmental Protection Agency) has warned the State about things we need to be thinking about in the future.

Councilor Heistad concurred with most of what has been said and noted the contamination that he has seen in the City's drinking water in the past. He congratulated the folks who keep our water coming and going and for providing a different environment than what it was in the past. We now have fresh water.

Assistant Mayor Below presented another perspective noting that if you look at the costs per gallon (i.e., breaking down the dollars per cubic foot), it comes out to about a penny per gal. If you add in the wastewater treatment costs, we are still at about 2.5 cents/gal.

ACTION:

Councilor Wilkie MOVED that the Lebanon City Council hereby adopts Ordinance #2022-08 to amend City Code Chapter 68, Fees, Article III, Miscellaneous Fees, §68-15, Enumeration of Fees, to authorize an 8.0% increase to the water service rate and a 7.2% increase to the sewer service rate. Seconded by Councilor Liot Hill.

****The Vote on the Motion was approved (9-0)***

**CITY OF LEBANON
ORDINANCE #2022-08**

AN ORDINANCE TO AMEND the Code of the City of Lebanon, Chapter 68, Fees, Article III, Miscellaneous Fees, by amending §68-15, Enumeration of Fees, to increase water and sewer service rates.

BE IT ORDAINED, by the City Council of the City of Lebanon, as follows: Section 1:

The Code of the City of Lebanon is hereby amended to revise Chapter 68, Fees, Article III, Miscellaneous Fees, §68-15, Enumeration of Fees, for the purpose of effecting changes to water and sewer rates, as follows:

§68-15.B Public Utilities (water/sewer) fees shall be as follows:

§68-15.B(1) Water service rates:

§68-15.B(1)(a) Per 100 cubic feet:

- [1] Single-family residential: 0 to 1,200 cubic feet: ~~\$3.77~~ \$4.07
- [2] Single-family residential: greater than 1,200 cubic feet: ~~\$7.54~~ \$8.14
- [3] Non-residential and non-single-family residential: ~~\$5.66~~ \$6.11

§68-15.B(1)(b) Fixed charge per quarter:

- [1] 5/8-inch: ~~\$19.79~~ \$21.37
- [2] 3/4-inch: ~~\$63.23~~ \$68.29
- [3] One inch: ~~\$94.02~~ \$101.54
- [4] 1.5-inch: ~~\$165.35~~ \$178.58
- [5] Two-inch: ~~\$273.88~~ \$295.79
- [6] Three-inch: ~~\$704.94~~ \$761.34
- [7] Four-inch: ~~\$2,735.32~~ \$2,954.15
- [8] Six-inch: ~~\$5,215.43~~ \$5,632.66
- [9] Eight-inch: ~~\$10,020.23~~ \$10,821.85

§68-15.B(7) Sewer service rates:

§68-15.B(7)(a) Fixed charge per quarter:

- [1] 5/8-inch: ~~\$29.60~~ \$31.73
- [2] 3/4-inch: ~~\$94.63~~ \$101.44
- [3] One inch: ~~\$140.71~~ \$150.84
- [4] 1.5-inch: ~~\$247.45~~ \$265.27
- [5] Two-inch: ~~\$409.89~~ \$439.40
- [6] Three-inch: ~~\$1,055.01~~ \$1,130.97
- [7] Four-inch: ~~\$4,093.68~~ \$4,388.42
- [8] Six-inch: ~~\$7,805.46~~ \$8,367.45
- [9] Eight-inch: ~~\$14,996.34~~ \$16,076.08

§68-15.B(7)(b) Per 100 cubic feet of metered water usage: ~~\$11.18~~ \$11.98

§68-15.B(7)(c) Flat rate (limited to consumers who are not provided water service or a meter for computing flow):

- [1] Residential: ~~\$365.18~~ \$391.47 per quarter.
- [2] Commercial: estimated flow to be computed by the Department of Public Works based on facility use and occupancy at the rate contained in Subsection **B(7)(b)** above.

§68-15.B(10) Town of Enfield Sewer Rental Rate

§68-15.B(10)(a) ~~\$13.48~~ \$14.45 per 100 cubic feet.

§68-15.B(10)(b) New or expanded sewer users within the Town of Enfield are subject to the Sewer Development Charge at the same rate charged to sewer users within the City of Lebanon.

1 Section 2: Severability

2
3 The provisions of this ordinance are declared to be severable, and if any section, subsection, sentence,
4 clause, or part thereof is, for any reason, held to be invalid or unconstitutional by a court of competent
5 jurisdiction, such decision shall not affect the validity of any remaining sections, subsections, sentences,
6 clauses, or part of this ordinance.

7
8 Section 3: Effective Date

9
10 This ordinance shall become effective January 1, 2023.

11
12 **9. OLD BUSINESS**

13 **A. Presentation of Second Reading & Set Public Hearing for December 14, 2022:**
14 **Amendments to Ordinance #18, Salary Plan, to include implementation of a 3% General**
15 **Wage Increase, and to retitle, reclassify, and add positions to the existing salary plan.**

16
17 Included in the agenda packet:

18 1. Amendments to Ordinance #18, Salary Plan (*Pages 105-116, City Council agenda packet*)

19
20 City Manager Mulholland reviewed the above with the Council. Councilor Sykes expressed his concerns
21 and explained his reasons regarding the equity in pay between the Fire Department and the Police
22 Department.

23
24 The City Council was asked to take action to amend Ordinance #18, Salary Plan, as follows:

- 25
26 1. Article II, Non-Affiliated and LPASE Employees, to:
27 a. Implement a 3% General Wage Increase for 2023;
28 b. Increase the wage and stipend pay scales for Seasonal/Temporary & Stipend Employees;
29 c. Reclassify the following Non-Affiliated positions:
30 i) Systems Librarian and Information Technology Librarian from Grade 9 to Grade 11.
31 ii) Deputy Library Director from Grade 11 to Grade 12.
32 iii) Chief Innovation Officer and Deputy Finance Director from Grade 12 to Grade 13.
33 iv) Airport Manager, Assistant Fire Chief, and Human Resources Director from Grade 13 to
34 Grade 14.
35 v) Deputy Police Chief from Grade 14 to Grade 15.
36
37 d. Reclassify the following LPASE positions:
38 i. Assistant City Engineer from Grade 9 to Grade 10.
39 ii. Cemetery Sexton, Fleet Maintenance Supervisor, Maintenance Superintendent,
40 and Utilities Maintenance Superintendent from Grade 10 to Grade 11.
41 iii. Administrative Services Manager from Grade 11 to Grade 12.
42
43 e. Retitle the following positions:
44 i. Two (2) Benefits Coordinator/Payroll Specialist positions to be separated into a
45 Benefits Coordinator position (Human Resources) and a Payroll Specialist position
46 (Finance).
47 ii. Director of Planning and Zoning retitled as Planning and Development Director.
48 iii. Director of Public Works retitled as Public Works Director.
49
50 f. Reclassify and retitle the following position:

- i. Recreation Director retitled as Recreation, Arts & Parks Director and reclassified from Grade 13 to Grade 14.
- g. Add the following Non-Affiliated positions:
 - i. Accounting Clerk III (Finance Department) added as Grade 8.
 - ii. A combined Deputy City Clerk/Deputy Tax Collector (City Clerk) added as grade 8.
 - iii. Public Relations Coordinator (City Manager) added as grade 9.
 - iv. Deputy Human Resources Director (Human Resources Department) added as Grade 13.
 - v. Deputy Planning and Development Director (Planning and Development Department) added as Grade 13.
 - vi. Human Resources Specialist (Human Resources Department) added as Grade 14.
- h. Add the following Seasonal/Temporary & Stipend positions:
 - i. Tree Warden (Recreation, Arts & Parks Department) added as a Stipend position.
 - ii. Lead Recording Secretary (City Clerk) added as an hourly position.
2. Article III, Bargaining Unit Employees, Section A, AFSCME LOCAL #1348/COUNCIL 93 AFL-CIO, to:
 - a) Implement a 3% General Wage Increase for 2023;
 - b) Reclassify the following positions:
 - i) Parks and Grounds Crew Foreman from Grade 7 to Grade 8.
 - ii) Electrician from Grade 8 to Grade 9.
3. Article III, Bargaining Unit Employees, Section B, Lebanon Permanent Firefighters' Association, LOCAL 3197/International Association of Fire Fighters (IAFF), to implement a 3% General Wage Increase for 2023.
4. Article III, Bargaining Unit Employees, Section C, Lebanon Police Benevolent Association Police Benevolent Association (NEPBA), to implement a 3% wage Increase for 2023.

City Manager Mulholland reviewed the background and reasons behind all proposed amendments to Ordinance #18, Salary Plan as listed below.

BACKGROUND

ARTICLE II NON-AFFILIATE EMPLOYEES

The City Manager is responsible for maintaining the City's Compensation and Classification Plan. Within Ordinance #18, compensation for exempt (salaried) and non-exempt (hourly) Non-Affiliated employees is expressed as a minimum and maximum grade range – hourly rates for non-exempt employees and weekly rates for exempt (salaried) employees. Movement within ranges is achieved through annual general wage and merit or step adjustments applicable for employees who are not already at the top of their wage range. To be useful, it is imperative that compensation and classification systems be kept current. This is achieved primarily by revising compensation ranges through regular general wage adjustments and by systematically reviewing all positions on a regular basis relative to meaningful sampling of the labor market and internally relative to other positions.

For general wage adjustments for Non-Affiliated (non-union) employees, the City's practice is to use the percentage change in the Northeast Urban CPI for June from 12 months prior, with a minimum adjustment of 1% (floor) and a maximum adjustment of 3% (ceiling). The same basis of adjustment is used for each of the bargaining units. The increase in the Northeast Urban CPI for the period of June 2021-June 2022

1 was 7.6%. As a result, the City Council is asked to take action to implement a 3% General Wage Increase
2 for Non-Affiliated employees as part of the 2023 City Budget.

3
4 In addition, due to the increasingly competitive employment market, the City contracted with Municipal
5 Resources, Inc. to conduct an updated Market Analysis Survey of Non-Affiliated, LPASE, and AFSCME
6 positions included in the Ordinance #18 salary plan. Based on the results of the Market Analysis, the
7 administration is proposing to adjust salary ranges for each pay grade and to retitle and/or reclassify
8 identified positions to provide equitable and adequate wages for employees.

9
10 For Non-Affiliated employees, the minimum and maximum wage rates for each of the sixteen (16) pay
11 grades have been expanded and the ranges for all grades overlap, which will assist in keeping wages
12 competitive. Several management and director-level positions are proposed to be renamed and/or
13 reclassified as outlined above. The administration is also proposing several new Non-Affiliated positions
14 to be added to Ordinance #18 as summarized above.

15
16 The table below reflects the changes in position title and classification as shown in red text. Changes in
17 wages reflects both the expansion of each range as well as the 3% GWI for Non-Affiliated employees,
18 which would be effective as of the first pay period of 2023.

19 20 **ARTICLE II, LPASE EMPLOYEES**

21
22 The City and Lebanon Professional, Administrative, and Salaried Employees (LPASE) have a collective
23 bargaining agreement that covers the three-year period of 2022-2024. According to the agreement, annual
24 General Wage Increases (GWIs) for the life of the contract will be based on the percentage change in the
25 Northeast Urban CPI for June from 12 months prior, but shall be no less than 1% (floor) and no greater
26 than 3% (ceiling). Based on a 7.6% increase in the CPI as of June 2022, the applicable GWI for 2023 will
27 be 3%. Corresponding wage schedules for 2024 are not provided as the GWI for 2024 will not be known
28 until July of 2023.

29
30 When negotiating the current agreement, LPASE (and the other bargaining units) agreed to forgo step and
31 merit increases for 2023, but to continue to receive the GWI for 2023. The purpose of forgoing step and
32 merit increases was intended to help the City absorb anticipated increases in debt service projected for
33 2023. However, as capital project schedules have been delayed, the anticipated debt service increases are
34 now projected to occur in 2024 or later. As a result, the administration expects to negotiate sidebar
35 agreements with each of the bargaining units to allow members to receive step and merit increases in 2023
36 upon their annual evaluation.

37
38 Based on the results of the Market Analysis Survey, six (6) positions within LPASE are proposed to be
39 reclassified within Ordinance #18 as outlined above.

40
41 The table below reflects the changes in position grades as well as the 3% GWI for LPASE employees,
42 which would be effective as of the first pay period of 2023.

43 44 **ARTICLE II, SEASONAL/TEMPORARY & STIPEND EMPLOYEES**

45
46 Due to the competitive employment market and the difficulty departments have experienced in filling
47 seasonal and temporary positions, the administration is recommending a 6% increase to the hourly wage
48 and stipend rates for seasonal, temporary, and stipend employees. In addition, the administration is
49 proposing two (2) new Seasonal/Temporary and Stipend positions to be added to Ordinance #18 as
50 outlined above.

1 The table below reflects proposed new positions and the 6% GWI for Seasonal/Temporary and Stipend
2 employees, which would be effective as of the first pay period of 2023.

3
4 **ARTICLE III, BARGAINING UNIT EMPLOYEES**

5
6 **SECTION A, AFSCME LOCAL #1348/COUNCIL 93 AFL-CIO**

7
8 The City and the American Federation of State, County, and Municipal Employees (AFSCME) have a
9 collective bargaining agreement that covers the three-year period of 2022-2024. According to the agreement,
10 annual General Wage Increases (GWIs) for the life of the contract will be based on the percentage change in
11 the Northeast Urban CPI for June from 12 months prior, but shall be no less than 1% (floor) and no greater
12 than 3% (ceiling). Based on a 7.6% increase in the CPI as of June 2022, the applicable GWI for 2023 will
13 be 3%. Corresponding wage schedules for 2024 are not provided as the GWI for 2024 will not be known
14 until July of 2023.

15
16 Similar to LPASE mentioned above, when negotiating the current agreement, AFSCME agreed to forgo
17 step and merit increases for 2023 to help the City absorb anticipated increases in debt service projected for
18 2023. Since the anticipated debt service increases are now projected to occur in 2024 or later, the
19 administration expects to negotiate sidebar agreements with each of the bargaining units to allow members
20 to receive step and merit increases in 2023 upon their annual evaluation.

21
22 Based on the results of the Market Analysis Survey, the administration is proposing to adjust the wage scale
23 for AFSCME by dropping the first one or two steps in each of the nine (9) grades and adding one or two
24 additional steps to the end of each grade. In addition, two (2) AFSCME positions are proposed to be
25 reclassified within Ordinance #18 based on the Market Analysis.

26
27 The table below reflects the changes in position grade and wage ranges, as well as the 3% GWI for AFSCME
28 employees, which would be effective as of the first pay period of 2023.

29
30 **SECTION B, LEBANON PERMANENT FIREFIGHTERS' ASSOCIATION, LOCAL 3197/**
31 **INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS (IAFF)**

32
33 The City and the Lebanon Permanent Firefighters' Association, Local 3197/International Association of
34 Fire Fighters (LPFFA/IAFF) have a collective bargaining agreement that covers the three-year period of
35 2022-2024. According to the agreement, annual General Wage Increases (GWIs) for the life of the contract
36 will be based on the percentage change in the Northeast Urban CPI for June from 12 months prior, but shall
37 be no less than 1% (floor) and no greater than 3% (ceiling). Based on a 7.6% increase in the CPI as of June
38 2022, the applicable GWI for 2023 will be 3%. Corresponding wage schedules for 2024 are not provided as
39 the GWI for 2024 will not be known until July of 2023.

40
41 Similar to LPASE mentioned above, when negotiating the current agreement, LPFFA/IAFF agreed to forgo
42 step and merit increases for 2023 to help the City absorb anticipated increases in debt service projected for
43 2023. Since the anticipated debt service increases are now projected to occur in 2024 or later, the
44 administration expects to negotiate sidebar agreements with each of the bargaining units to allow members
45 to receive step and merit increases in 2023 upon their annual evaluation.

46
47 The table below reflects the 3% GWI for LPFFA/IAFF employees, which would be effective as of the first
48 pay period of 2023.

1 **SECTION C, LEBANON POLICE BENEVOLENT ASSOCIATION (LPBA)/NEW**
2 **ENGLAND POLICE BENEVOLENT ASSOCIATION (NEPBA)**
3

4 The City and the Lebanon Police Benevolent Association (LPBA)/New England Police Benevolent
5 Association (NEPBA) have a collective bargaining agreement that covers the three-year period of 2022-
6 2024. According to the agreement, annual General Wage Increases (GWIs) for the life of the contract will
7 be based on the percentage change in the Northeast Urban CPI for June from 12 months prior, but shall be
8 no less than 1% (floor) and no greater than 3% (ceiling). Based on a 7.6% increase in the CPI as of June
9 2022, the applicable GWI for 2023 will be 3%. Corresponding wage schedules for 2024 are not provided
10 as the GWI for 2024 will not be known until July of 2023.

11
12 Similar to LPASE mentioned above, when negotiating the current agreement, LPBA/NEPBA agreed to
13 forgo step and merit increases for 2023 to help the City absorb anticipated increases in debt service
14 projected for 2023. Since the anticipated debt service increases are now projected to occur in 2024 or
15 later, the administration expects to negotiate sidebar agreements with each of the bargaining units to allow
16 members to receive step and merit increases in 2023 upon their annual evaluation.

17
18 The table below reflects the 3% GWI for LPBA/NEPBA employees, which would be effective as of the
19 first pay period of 2023.

20
21 **AMENDMENT PROCESS**
22

23 Amending Ordinance #18 requires three separate presentations (see City Charter subsections
24 §419:22, §419:24, §419:25, §419:52) followed by a public hearing and the vote of at least two-
25 thirds (2/3) of all members of the City Council – six (6) members - to adopt.

26
27 The first presentation was recognized by the City Council on November 16, 2022. The Council is now asked
28 to recognize the second of three presentations. The third presentation will occur on December 14th, along
29 with a public hearing to adopt the amendments as proposed.

30
31 **1. ACKNOWLEDGE FIRST PRESENTATION:**
32

33 *Councilor Liot Hill MOVED, that the Lebanon City Council acknowledges the second of three*
34 *presentations to amend Ordinance #18, Salary Plans, as follows and as shown on table on pages 110-*
35 *116, City Council agenda packet:*
36

- 37 1. Article II, Non-Affiliated and LPASE Employees, to:
38 a. Implement a 3% General Wage Increase for 2023;
39
40 b. Increase the wage and stipend pay scales for Seasonal/Temporary & Stipend Employees;
41
42 c. Reclassify the following Non-Affiliated positions:
43 i.) Systems Librarian and Information Technology Librarian from Grade 9 to Grade 11.
44 ii) Deputy Library Director from Grade 11 to Grade 12.
45 iii) Chief Innovation Officer and Deputy Finance Director from Grade 12 to Grade 13.
46 iv.) Airport Manager, Assistant Fire Chief, and Human Resources Director from Grade 13
47 to Grade 14.
48 v.) Deputy Police Chief from Grade 14 to Grade 15.
49
50 d. Reclassify the following LPASE positions:

- i.) Assistant City Engineer from Grade 9 to Grade 10.
 - ii.) Cemetery Sexton, Fleet Maintenance Supervisor, Maintenance Superintendent, and Utilities Maintenance Superintendent from Grade 10 to Grade 11.
 - iii.) Administrative Services Manager from Grade 11 to Grade 12.
- e. Retitle the following positions:
 - i.) Two (2) Benefits Coordinator/Payroll Specialist positions to be separated into a Benefits Coordinator position (Human Resources) and a Payroll Specialist position (Finance).
 - ii.) Director of Planning and Zoning retitled as Planning and Development Director.
 - iii.) Director of Public Works retitled as Public Works Director.
- f. Reclassify and retitle the following position:
 - i.) Recreation Director retitled as Recreation, Arts & Parks Director and reclassified from Grade 13 to Grade 14.
- g. Add the following Non-Affiliated positions:
 - i. Accounting Clerk III (Finance Department) added as Grade 8.
 - ii. A combined Deputy City Clerk/Deputy Tax Collector (City Clerk) added as grade 8.
 - iii. Public Relations Coordinator (City Manager) added as grade 9.
 - iv. Deputy Human Resources Director (Human Resources Department) added as Grade 13.
 - v. Deputy Planning and Development Director (Planning and Development Department) added as Grade 13.
 - vi. Human Resources Specialist (Human Resources Department) added as Grade 14.
- h. Add the following Seasonal/Temporary & Stipend positions:
 - i. Tree Warden (Recreation, Arts & Parks Department) added as a Stipend position.
 - ii. Lead Recording Secretary (City Clerk) added as an hourly position.
2. Article III, Bargaining Unit Employees, Section A, AFSCME LOCAL #1348/COUNCIL 93 AFL-CIO, to:
 - c) Implement a 3% General Wage Increase for 2023;
 - d) Reclassify the following positions:
 - i) Parks and Grounds Crew Foreman from Grade 7 to Grade 8.
 - ii) Electrician from Grade 8 to Grade 9.
3. Article III, Bargaining Unit Employees, Section B, Lebanon Permanent Firefighters' Association, LOCAL 3197/International Association of Fire Fighters (IAFF), to implement a 3% General Wage Increase for 2023.
4. Article III, Bargaining Unit Employees, Section C, Lebanon Police Benevolent Association Police Benevolent Association (NEPBA), to implement a 3% wage Increase for 2023.

The following pay plan shall be in effect the first pay period of 2023

Changes to the compensation and classification schedules are shown in red type; new positions and retitled or reclassified positions are shown in red bold type, position deletions are shown stricken and in red italics type..

**REGULAR FULL-TIME/REGULAR PART-TIME NON-AFFILIATED & LPASE
EMPLOYEES 2023 SALARY & GRADES TO INCLUDE 3% GWI**

<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	\$17.79	\$26.00	-	-

1

2	Custodian	\$19.99	\$26.99	-	-
	Department Secretary	-	-	-	-
3	Airport Maintenance Worker	\$21.20	\$28.61	-	-
	Custodian I	-	-	-	-
	Accounting Clerk	-	-	-	-
4	Library Assistant	\$22.46	\$30.31	-	-
	Custodial Supervisor	-	-	-	-
5		\$23.80	\$32.14	-	-
6	-	\$25.22	\$34.42	-	-
7	Administrative Secretary	\$26.75	\$37.84	-	-
	Assessing Clerk	-	-	-	-
	Assistant City Clerk	-	-	-	-
	Assistant Human Services Director	-	-	-	-
	Communications Specialist	-	-	-	-
	Library Administrative/Technical Assistant	-	-	-	-
8	Accounting Clerk III (New)	\$29.42	\$39.71	-	-
	Administrative Assistant	-	-	-	-
	Benefits Coordinator/Payroll Specialist	-	-	-	-
	Benefits Specialist	-	-	-	-
	Payroll Specialist	-	-	-	-
	Deputy City Clerk	-	-	-	-
	Deputy Tax Collector	-	-	-	-
	Deputy City Clerk/Deputy Tax Collector (New)	-	-	-	-
	Field Inspector**	-	-	-	-
	Electrical Inspector**	-	-	-	-
	Utility Billing Clerk	-	-	-	-
	Outreach Librarian	-	-	\$1,176.75	\$1,588.55
	Children's Librarian	-	-	-	-
9	Assistant City Engineer**	\$32.36	\$43.69	-	-
	Code Health Inspector**	-	-	-	-
	Executive Assistant	-	-	-	-
	Public Relations Coordinator (New)	-	-	-	-
	Digital Media Officer	-	-	-	-
	Deputy Assessor	-	-	-	-
	Cyber Services Technical Specialist	-	-	-	-
	Real Estate Appraiser II**	-	-	-	-
	Associate Planner**	-	-	\$1,294.40	\$1,747.70

	Systems Librarian	-	-	-	-
	Information Technology Librarian	-	-	-	-
10	Assistant City Engineer**	\$35.64	\$48.10	-	-
	Cemetery Sexton**	-	-	-	-
	Financial Analyst	-	-	-	-
	Fleet Maintenance Supervisor**	-	-	-	-
	Community Nurse	-	-	-	-
	Maintenance Superintendent**	-	-	-	-
	Utilities Maintenance Superintendent**	-	-	-	-
	Police Communications Supervisor**	-	-	-	-
	Recreation Program Coordinator**	-	-	\$1,425.52	\$1,924.05
	Youth Services Librarian	-	-	-	-
11	Technical Advisor I	\$37.77	\$50.98	-	-

1

	Cemetery Sexton**	-	-	-	-
	Fleet Maintenance Supervisor**	-	-	-	-
	Maintenance Superintendent**	-	-	-	-
	Utilities Maintenance Superintendent**	-	-	-	-
	System Administrator	-	-	-	-
	Administrative Services Manager**	-	-	\$1,510.80	\$2,039.05
	Airport Operations Supervisor**	-	-	-	-
	Assistant Recreation Director**	-	-	-	-
	Code Enforcement Director**	-	-	-	-
	Deputy Library Director	-	-	-	-
	Fire Marshal**	-	-	-	-
	Planner/GIS Coordinator**	-	-	-	-
	Senior Planner	-	-	-	-
	Systems Librarian	-	-	-	-
	Information Technology Librarian	-	-	-	-
12	Wastewater Treatment Superintendent**	\$40.03	\$54.04	-	-
	Water Treatment Superintendent**	-	-	-	-
	Chief Innovation Officer	-	-	\$1,601.12	\$2,161.47
	Administrative Services Manager**	-	-	-	-
	City Assessor**	-	-	-	-
	City Clerk/Tax Collector	-	-	-	-
	City Engineer**	-	-	-	-
	City Planner**	-	-	-	-
	Deputy Finance Director	-	-	-	-
	Deputy Library Director	-	-	-	-
	Energy & Facilities Manager**	-	-	-	-
	Human Services Director	-	-	-	-
	Police Lieutenant**	-	-	-	-
	Prosecuting Attorney	-	-	-	-

	Solid Waste Manager**	-	-	-	-
13	Airport Manager	-	-	\$1,697.19	\$2,291.22
	Assistant Fire Chief	-	-	-	-
	Chief Innovation Officer	-	-	-	-
	Cyber Security Analyst	-	-	-	-
	Deputy Finance Director	-	-	-	-
	Deputy Human Resources Director (New)	-	-	-	-
	Deputy Fire Chief**	-	-	-	-
	Human Resources Director	-	-	-	-
	Information Systems Manager**	-	-	-	-
	Maintenance Manager**	-	-	-	-
	Recreation Director	-	-	-	-
	Police Captain**	-	-	-	-
	Deputy Planning and Development Director (New)	-	-	-	-
	Systems and Operations Administrator	-	-	-	-
14	Human Resources Specialist (New)	\$44.98	\$60.72	-	-
	Airport Manager	-	-	\$1,799.12	\$2,428.62
	Assistant Director/Public Works	-	-	-	-
	Assistant Fire Chief	-	-	-	-

**Denotes LPASE Employees for which the January 1, 2023 GWI shall be based on the NE Urban CIP for June 2021 – June 2022, but in no case shall be less than one percent (1.0%) nor greater than three percent (3%).

B. SEASONAL/TEMPORARY& STIPEND EMPLOYEES

POSITION TITLE	HOURLY	
ELECTION POSITIONS (HOURLY)		
Ballot Clerk	-	\$15.29
Election Assistant	-	\$15.29
Supervisors of the Checklist	-	\$15.29
Moderator	-	\$21.84
Ward Clerk	-	\$21.84
ELECTION DAY STIPEND		
Chair Supervisor of the Checklist	-	\$244.86
Supervisor of the Checklist	-	\$207.44
FIRE DEPARTMENT POSITIONS		
Call Firefighter	\$12.29	\$31.16
RECREATION, ARTS & PARKS POSITIONS		
Front Desk Attendants – Pool	\$11.08	\$16.65
Lifeguards	\$11.08	\$19.11
Head/Lead Counselors	\$14.42	\$17.73
Head & WSI Lifeguards	\$13.30	\$19.93
Head Front Desk Attendant - Pool	\$13.30	\$16.63
Outdoor Adventurer - Educator	\$13.85	\$17.73

Softball Coordinator	\$13.85	\$17.73
Day Camp Counselors	\$11.08	\$16.65
Arts & Craft Director	\$14.42	\$18.56
Farmers Market Coordinator	\$15.52	\$19.95
Market Assistant	\$13.30	\$16.63
Tennis Instructor	\$16.63	\$21.06
Stomp & Romp	\$16.63	\$21.06
Pool Operations Manager	\$16.63	\$22.93
Asst. Pool Director	\$16.63	\$22.93
Assistant Camp Director	\$16.63	\$22.93
Pool Director	\$17.73	\$26.20
Camp Director	\$17.73	\$26.20

1

RECREATION, ARTS & PARKS STIPEND POSITIONS:		
Sport Coaches – Seasonally (Lacrosse, Track, Youth – Basketball, Field Hockey, Football, Cheerleader Coach etc. – may vary due to Programs)	\$223.82	\$780.64
Tree Warden – Stipend (New)	\$2,500	\$5,000
LIBRARY POSITIONS		
Circulation Substitutes	-	\$14.64
Custodian Substitutes	-	\$17.41
Reference Librarian Substitutes	-	\$24.73
PUBLIC WORK POSITIONS		
Engineering Clerk	\$12.20	\$15.52
GIS Clerk – (or Intern)	\$16.63	\$18.85
Seasonal Laborers – Summer & Fall DPW, Parks & Rec.& Airport	\$17.73	\$22.41
CDL Seasonal Drivers	\$24.90	\$54.59
PLANNING POSITIONS		
Park Ranger	\$16.63	\$18.85
POLICE DEPARTMENT POSITIONS		
Crossing Guard		\$18.05
*Communications Specialist	\$26.75	\$37.84
Police Administrative Aide	\$22.17	\$25.49
Parking Control Officer	\$22.17	\$25.49
Police Officers	\$28.71	\$37.95
CITY CLERK POSITIONS		
*Assistant City Clerks (Part-Time/Temp. <20)	\$26.75	\$37.84
Lead Recording Secretary (New)	\$24.91	\$30.31
Recording Secretary	\$23.83	\$26.04
Recording Secretary Coordinator	\$24.91	\$26.60
SHARED POSITION		
General Intern I	\$14.42	\$18.29

*Denotes wages increased above 6% - These positions follow the full-time pay plan wages scale.

2

3

ARTICLE III, BARGAINING UNIT EMPLOYEES

5

6

A. AFSCME LOCAL #1348/COUNCIL 93 AFL-CIO – Employees covered by the terms and conditions of the collective bargaining agreement between the City and AFSCME (American Federation of State, County and Municipal Employees) Local #1348/Council 93 AFL-CIO, (effective January 1, 2022 to December 31, 2024) shall be paid in accordance with the

7

8

9

accompanying pay plan covering the time period of the first pay period of 2023 through the last pay period of 2023, as provided in that agreement, and as placed on file in the office of the City Clerk.

AFSCME POSITIONS	
GRADE	POSITION(s)
1	Laborer
2	Utility Operator Trainee
3	Operator; Recycling Attendant; Construction Utility Operator I; Meter/Backflow Technician; Scale Technician
4	Light Equipment Operator; Airport Maintenance Technician;
5	Heavy Equipment Operator; Utilities Operator I; Airport Maintenance Specialist; Maintainer (Cemetery Crew Leader); Utilities Operator I;
6	Mechanic; Water Treatment Plant Operator; Wastewater Treatment Plant Operator;
7	Laboratory Technician/ Utilities Plant Operator; Airport Maintenance Foreman; Parks & Grounds Crew Foreman ; Utilities Maintenance Mechanic; Engineering Technician;
8	Electrician ; Foreman; Parks & Grounds Crew Foreman
9	Chief of Quality Assurance, Electrician

AFSCME LOCAL 1348 - 2023 SALARY GRADES							3%
GWI							
	<u>Minimum</u>	<u>Maximum</u>					
<u>Grade</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>
1	\$19.53	\$20.08	\$20.67	\$21.25	\$21.79	\$22.47	\$23.16
2	\$21.07	\$21.68	\$22.31	\$22.92	\$23.52	\$24.25	\$25.00
3	\$22.75	\$23.43	\$24.12	\$24.77	\$25.48	\$26.27	\$27.08
4	\$24.57	\$25.33	\$26.06	\$26.81	\$27.59	\$28.44	\$29.33
5	\$26.62	\$27.43	\$28.24	\$29.05	\$29.90	\$30.83	\$31.79
6	\$28.83	\$29.69	\$30.65	\$31.59	\$32.54	\$33.51	\$34.42
7	\$31.23	\$32.21	\$33.23	\$34.25	\$35.27	\$36.33	\$37.31
8	\$32.80	\$33.84	\$34.91	\$35.99	\$37.14	\$38.28	\$39.77
9	\$35.62	\$36.73	\$37.94	\$39.12	\$40.32	\$41.53	\$43.23

The January 1, 2023 GWI shall be based on the NE Urban CIP for June 2021 – June 2022, but in no case shall be less than one percent (1.0%) nor greater than three percent (3%).

B. LEBANON PERMANENT FIREFIGHTERS' ASSOCIATION LOCAL 3197 / INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS (IAFF) - Employees covered by the terms and conditions of the collective bargaining agreement between the City and Lebanon Permanent Firefighters' Association Local 3197/International Association of Fire Fighters (IAFF), (effective January 1, 2022 to December 31, 2024) shall be paid in accordance with the accompanying pay plan covering the time period of the first pay period of 2023 through the last pay period of 2023, as provided in that agreement, and as placed on file in the office of the City Clerk.

LEBANON PERMANENT FIREFIGHTERS/IAFF - 2023 SALARY GRADES **3%GWI**

<u>Minimum</u>	<u>Maximum</u>							
<u>Position Title</u>		<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>
Firefighter - EMT		\$24.88	\$25.68	\$26.47	\$27.30	\$28.08	\$28.88	\$29.76
Firefighter - Paramedic		\$26.88	\$27.69	\$28.54	\$29.32	\$30.12	\$30.95	\$31.81
Fire Alarm Technician		\$31.88	\$32.54	\$33.21	\$33.84	\$34.50	\$35.13	\$35.77
Lieutenant		\$32.03	\$32.47	\$32.93	\$33.39	\$33.83	\$34.28	\$34.73
Fire Inspector		\$32.05	\$32.57	\$33.12	\$33.64	\$34.19	\$34.71	\$35.28
Lieutenant - Paramedic		\$33.92	\$34.37	\$34.81	\$35.25	\$35.72	\$36.15	\$36.61
Captain		\$38.12	\$38.51	\$38.96	\$39.37	\$39.78	\$40.22	\$40.62
Inspector - Paramedic		\$34.11	\$34.64	\$35.15	\$35.70	\$36.22	\$36.74	\$37.33
Captain - Paramedic		\$39.40	\$39.82	\$40.21	\$40.63	\$41.05	\$41.45	\$41.92

The January 1, 2023 GWI shall be based on the NE Urban CIP for June 2021 – June 2022, but in no case shall be less than one percent (1.0%) nor greater than three percent (3%).

C. LEBANON POLICE BENEVOLENT ASSOCIATION (LPBA)/NEW ENGLAND POLICE BENEVOLENT ASSOCIATION (NEPBA)

- Employees covered by the terms and conditions of the collective bargaining agreement between the City of Lebanon and the Lebanon Police Benevolent Association (LPBA)/New England Police Benevolent Association (NEPBA)(effective January 1, 2022 to December 31, 2024) shall be paid in accordance with the accompanying pay plan covering the time period of the first pay period of 2023 through the last pay period of 2023, as provided in that agreement, and as placed on file in the office of the City Clerk.

LEBANON POLICE BENEVOLENT ASSOCIATION – 2023 SALARY GRADES **3%GWI**

<u>Minimum</u>	<u>Maximum</u>							
<u>Position Title</u>		<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>
Patrol Officer		\$28.71	\$30.38	\$31.43	\$32.98	\$34.64	\$36.39	\$37.95
Corporal		\$39.04						
Sergeant		\$39.04	\$39.86	\$40.88	\$41.93	\$42.95	\$43.97	\$45.05

The January 1, 2023 GWI shall be based on the NE Urban CIP for June 2021 – June 2022, but in no case shall be less than one percent (1.0%) nor greater than three percent (3%).

Seconded by Councilor Wilkie.

**The Vote on the Motion was approved (9-0)*

10. NEW BUSINESS

- A. Discussion & Set Public Hearing for January 4, 2023: Ordinance #2023-01 to amend City Code Chapter 152, Streets and Sidewalks, Article IV, Non-Public Signs in City Highway Right-of-Way, relative to political signs on public highways

Included in the agenda packet: *(Pages 117-121 , City Council agenda packet)*

1. Proposed Ordinance #2023-01
2. RSA 664:17 Placement and Removal of Political Advertising

City Manager Mulholland reviewed the proposed amendment to Ordinance #2023-01, noting the narrow amendment would prohibit political signs in areas where Beautification Projects are taking place, such as

1 traffic islands. We are trying to keep those areas where people donate funds and do work to keep those
2 sign free.

3 4 **BACKGROUND**

5 The City Council adopted the provisions contained in Chapter 152, Article IV, Non-Public Signs in City
6 Highway Right-of-Way on February 18, 2009. This code provision allowed for the placement of political
7 signs as defined by NH RSA 664:2 in City rights-of-way.

8 This past summer, the City implemented a pilot program to beautify the traffic islands in the downtown
9 area. Private businesses either donated funds or utilized their employees to plant and care for the flowers
10 planted in these designated traffic islands.

11 It is not uncommon for municipalities to prohibit the placement of any signs for any purpose (other than
12 traffic signs posted by governmental entities) within the municipality's right-of-way. NH RSA 664:17
13 specifically prohibits the placement of political advertising on or affixed to any public property including
14 highway rights-of-way or private property without the owner's consent.

15 The City Manager has received complaints regarding the signs being placed on the traffic islands obscuring
16 the flowers planted there. The proposed changes limit the period of time political signs can be placed in
17 the right-of-way. Additionally, the amendments prohibit placement of political signs on traffic islands or
18 other portions of public highways that are designated by the City Manager as part of the City's
19 beautification program.

20 Other proposed amendments included in Ordinance #2023-01 are intended to update and correct cross-
21 references to the signage regulations within the Lebanon Zoning Ordinance.

22 23 Council Discussions:

24
25 Mayor McNamara noted the Council will not be making a decision on this tonight, they are simply
26 scheduling a Public Hearing.

27
28 Councilor Liot Hill spoke about the political signs that went up earlier this year, noting it was visual
29 litter. She is a huge fan of political signs and calls them "The Flowers of Democracy," but felt it
30 reasonable to have some limitations about when and where they can be planted and suggested 60 days
31 would be a reasonable timeframe for the City's primaries and the general elections.

32
33 Mayor McNamara fully supported this proposal noting that during the past several election cycles,
34 political signs have been getting worse. He also spoke about signs being left up for years.

35
36 Assistant Mayor Below favored shortening the 60 days to 30 days and further gave his reasons for doing
37 so.

38
39 Councilor Wilkie supports either the 60 day or 30 day proposal. However, he questioned if there should
40 also be a designated period after the election(s) when signs should be picked up, and if this would put an
41 additional burden on the City Manager. The City Manager noted that the terms of political sign
42 removals are already covered by the State.

43
44 Councilor Sykes supported the 30 day removal proposal.
45

ACTION:

Assistant Mayor Below MOVED that the Lebanon City Council hereby schedules a public hearing for Wednesday, January 4, 2023, beginning at 7:00 pm, in Council Chambers, City Hall, and remote via the City's Virtual Platform, for the purpose of receiving public input and taking action on proposed Ordinance #2023-01 to amend City Code Chapter 152, Streets and Sidewalks, Article IV, Non-Public Signs in City Highway Right-of-Way as presented in the December 7, 2022 City Council agenda packet except to change the provision in proposed §152 – 34, A (-1) so that it reads “political advertising may only be placed within public highways “30 days” prior to the election(s) in which the measure or elected offices have been acted upon.

Seconded by Councilor Liot Hill.

**The Vote on the MOTION was approved (9-0)*

CITY OF LEBANON ORDINANCE #2023-01

AN ORDINANCE TO AMEND the Code of the City of Lebanon, Chapter 152, Streets and Sidewalks, Article IV, Non-Public Signs in City Highway Right-of-Way, by amending §152- 34, Exceptions.

BE IT ORDAINED, by the City Council of the City of Lebanon, as follows: Section 1:

The Code of the City of Lebanon is hereby amended to revise Chapter 152, Streets and Sidewalks, Article IV, Non-Public Signs in City Highway Right-of-Way, §152-34, Exceptions, as follows:

§ 152-34 Exceptions.

(1) The following are excepted from the prohibition in this § 152-32, above:

A. Political advertising, as defined in RSA 664:2, is permitted to be located on public highways if and only if in accordance with RSA 664:14 through RSA 664:17, ~~and~~ all other applicable laws or regulations including the provisions below:

1. Political advertising may only be placed within public highways ~~60~~ (change to 30 days) prior to the election in which the measure or elected office is being acted upon.

2. Political advertising may not be placed on traffic islands or other portions of public highways that are designated as part of the City's beautification program designated by the City Manager.

B. Any activity properly licensed by the City to take place on public highways, including street vendors under City of Lebanon Code Chapter 179, street fairs under RSA 31:100, or parades licensed under RSA Ch. 286 may include signs relating to the licensed activity, to the extent permitted by the respective licensing authority.

C. The prohibition in this article shall not apply to official signs and devices properly erected by agents of the City itself for purposes of directing and controlling traffic, or other valid public safety or welfare purpose.

D. The prohibition in this article shall not apply to leaflets or placards held at all times by a human being, or to messages or information printed on clothing or other items worn by a human being, so long as said persons are not interfering with traffic and are not in violation of any other laws or ordinances.

1
2 **E.** The prohibition in this article shall not apply to signs painted on or otherwise affixed to motor
3 vehicles being operated upon public highways; provided, however, that vehicles which have commercial
4 signs painted on or otherwise attached to them shall not remain or be parked for more than three hours at
5 any one location on any public highway right-of-way in the City, unless said vehicle is being actively used
6 at that location for some business purpose other than parking or advertising, including but not limited to
7 loading, unloading or utility installation or repair, and is not in violation of any other laws or ordinances.
8 The three-hour time restriction in this subsection shall be in addition to other restrictions such as those
9 contained in City of Lebanon Code Chapter **168.**
10

11 **F.** The prohibition in this article shall not apply to sandwich board signs permitted under Section
12 608.56(~~GA~~)(5) of the Zoning Ordinance, which are located on public sidewalks in the Central Business
13 ~~and Lebanon Downtown~~ Districts only, and are otherwise in conformity with that section and all other
14 applicable ordinances and regulations, nor to promotional banners under Section 608.82(A)(2) of the
15 Zoning Ordinance which are explicitly permitted by the City Licensing Board.
16

17 **G.** The prohibition in this article shall not apply to signs which announce and give directions to yard
18 sales which are in compliance with Section 207 of the Lebanon Zoning Ordinance; provided, however,
19 that:

- 20 **(1)** No such sign shall exceed four square feet in area;
21 **(2)** There shall be no more than a total of three signs for any one yard sale;
22 **(3)** The date(s) of the yard sale shall be written on each sign;
23 **(4)** The exception in this subsection shall apply only upon the actual date of such a yard sale and the
24 date prior to the yard sale; and
25 **(5)** City authorities may remove or relocate any such sign which impedes traffic or visibility, or
26 otherwise impairs the safety and convenience of the traveling public.

27 **H.** The prohibition in this article shall not apply to temporary directional signs advertising residential
28 property for sale and located in the public right-of-way, provided that:

- 29 **(1)** There shall be no more than two directional signs placed at the nearest street intersections, in each
30 direction, to the property for sale;
31 **(2)** Each sign shall not exceed four square feet in area;
32 **(3)** The signs shall be removed upon completion of the transaction; and
33 **(4)** City authorities may remove or relocate any such sign which impedes traffic or visibility, or
34 otherwise impairs the safety and convenience of the traveling public.
35

36 **Section 2: Severability**

37 The provisions of this ordinance are declared to be severable, and if any section, subsection, sentence,
38 clause or part thereof is, for any reason, held to be invalid or unconstitutional by a court of competent
39 jurisdiction, such decision shall not affect the validity of any remaining sections, subsections, sentences,
40 clauses or part of this ordinance.
41

42 **Section 3: Effective Date**

43

1 This ordinance shall become effective upon passage.

2
3 **664:17 Placement and Removal of Political Advertising.** – No political advertising shall be placed
4 on or affixed to any public property including highway rights-of-way or private property without the
5 owner's consent. All political advertising shall be removed by the candidate no later than the second
6 Friday following the election unless the election is a primary and the advertising concerns a
7 candidate who is a winner in the primary. Signs shall not be placed on or affixed to utility poles or
8 highway signs. Political advertising may be placed within state-owned rights-of-way as long as the
9 advertising does not obstruct the safe flow of traffic and the advertising is placed with the consent of
10 the owner of the land over which the right-of-way passes. No person shall remove, deface, or
11 knowingly destroy any political advertising which is placed on or affixed to public property or any
12 private property except for removal by the owner of the property, persons authorized by the owner of
13 the property, or a law enforcement officer removing improper advertising. Political advertising
14 placed on or affixed to any public property may be removed by state, city, or town maintenance or
15 law enforcement personnel. Political advertising removed prior to election day by state, city, or town
16 maintenance or law enforcement personnel shall be kept until one week after the election at a place
17 designated by the state, city, or town so that the candidate may retrieve the items.

18 **Source.** 1979, 436:1. 1994, 4:28. 2006, 273:1. 2013, 24:1, eff. July 15, 2013.

19
20 **B. Discussion & Set Public Hearing for January 4, 2023: To re-adopt the Optional Veterans' Tax**
21 **Credit and the All Veterans' Tax Credit**

22
23 Included in the agenda packet: (*Pages 122-128, Council agenda packet*)

- 24 1. New Hampshire Department of Revenue Administration, Technical Information Release,
25 Updated TIR 2022-005, dated October 24, 2022
26 2. NH RSA 72:27-a; RSA 72:28; RSA 72:28-b (*See pages 124-128, Council agenda packet*)

27
28 City Manager Mulholland reviewed the complicated legislative history, noting the legislature made some
29 changes that requires us to re-adopt their language. He was not recommending the Council change the
30 benefits the City provides to people so they can get the same tax credits that they have received in the
31 past.

32
33 **BACKGROUND**

34 The Optional Veterans' Tax Credit and the All Veterans' Tax Credit are programs made available by
35 the City for Lebanon's veterans and/or their spouses. The tax credit reduces the total property taxes
36 owed on the veteran's residential property by the amount of the credit.

37 The Optional Veterans' Tax Credit was last amended on October 16, 2019 when the Council voted to
38 increase the amount of the tax credit from \$100 to \$250 in accordance with NH RSA 72:28. At the
39 same meeting, the City Council voted to adopt the All Veterans' Tax Credit pursuant to NH RSA
40 72:28-b in the amount of \$250. Veterans and/or their spouses may qualify for either the Optional
41 Veterans' Tax Credit or the All Veterans' Tax Credit, but cannot receive both.

42 Earlier this year, the New Hampshire Legislature passed, and Governor Sununu signed into law, House
43 Bill 1667 (Chapter 121, Laws of 2022) amending the eligibility criteria for certain veterans' property
44 tax credits. Effective on July 26, 2022, the bill amended NH RSA 72:28, the "Standard and Optional
45 Veterans' Tax Credit", and NH RSA 72:28-b, the "All Veterans' Tax Credit", to expand the eligibility
46 requirements of the veterans' tax credit to include individuals who have not yet been discharged from
47 service in the armed forces.

Under NH RSA 72:27-a, IV, amendments to tax credits and exemptions which require adoption will apply “in a municipality which previously adopted the provision only after the municipality complies with the procedure” specified in NH RSA 72:27-a, II. As a result, the legislation requires the City to re-adopt the Optional Veterans’ Tax Credit and/or the All Veterans’ Tax Credit at the existing amount of \$250, or at a new amount, in order for them to remain in place and include the expanded eligibility effective for the April 1, 2023 tax year. If either the Optional Veterans’ Tax Credit or the All Veterans’ Tax Credit, or both, are not re-adopted by the City, then only the Standard Veterans’ Tax Credit (NH RSA 72:28, I) in the amount of \$50, including the expanded eligibility requirements, will be in place for the April 1, 2023 tax year.

ACTION:

Assistant Mayor Below MOVED that the Lebanon City Council hereby schedules a public hearing for Wednesday, January 4, 2023, beginning at 7:00 pm, in Council Chambers, City Hall, and remote via the City’s Virtual Platform, for the purpose of receiving public input and taking action to re-adopt the Optional Veterans’ Tax Credit in the amount of \$250 in accordance with NH RSA 72:28 and the All Veterans’ Tax Credit in the amount of \$250 in accordance with NH RSA 72:28-b. Seconded by Councilor Whittlesey.

**The Vote on the MOTION was approved (9-0)*

C. Public Input on Proposed 2023 Municipal Budget

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

Council comments:

Councilor Liot Hill requested if there was any additional information regarding her question about West Lebanon.

City Manager Mulholland informed the Council a memo is being drafted about a new proposal for the additional position in Human Services and referenced the position that Councilor Simon talked about at the last meeting. The memo has been sent out to staff for their review. He did not generate a memo regarding West Lebanon.

Councilor Liot Hill spoke about the Streetscape Improvements in West Lebanon and asked what the City’s plan would be if the Federal funding is not available.

City Manager Mulholland said he cannot propose any more spending above the City Council’s Policy that would put us above our debt limit. The Council has a few options:

- The Council could waive the debt limit to allow that project to go through at a cost of \$2.3M. (Total cost for this project is +/- \$4.3M.)
- If the Council did not waive the debt limit, and just made a motion to approve that project, then it would force the circuit breaker provision in the City Council’s Debt Policy and he would have no choice but to stop other projects (to address the West Lebanon Project). If the Council chooses this option, he would recommend they amend the debt limit.
- The Council could create a Special Assessment District, but this would be very unpopular for the people who live in that area. He did not feel this option would be appropriate, noting the whole City should be paying for this.

If the (US) Congress does not pass the spending bill in the next couple of weeks, things may change due to

1 the (national) primary election results. We are operating under the assumption that the City will get the
2 grant because it did pass the House and is now in the Senate. If they do not approve the spending bill, then
3 who knows how long this will drag on. Even if the spending bill passes, the earliest the City can start on
4 the West Lebanon Project would be 2024.

5
6 In response to Councilor Liot Hill's request to keep things moving in West Lebanon, City Manager
7 Mulholland explained the City can still proceed with the appropriated funds for the final design but would
8 need to come back to the Council before spending the appropriated funds, as there may be potential breakout
9 options in the final design the Council could consider.

10 11 **11. City Manager Report:**

12 City Manager Shaun Mulholland updated the Council on the following:

- 13 • Strategic Plan: In January, the Council will have their two regular meetings and at both of those
14 meetings there will items that will deal with the Strategic Plan. The goal is that as we move into
15 February, there will be at least two general conversations with the public and then there will be
16 additional meetings with the School Board, the Lebanon Housing Authority and any other
17 groups he can find to get feedback.

18
19 A meeting is being planned with other regional municipalities to get our local elected officials
20 together with our State delegation to push a more aggressive legislative approach for funding
21 (i.e., transportation, Child Care Center, etc.). We need to use our collective political power to
22 try and influence things in Concord. He noted this is in the Council's realm and would allow
23 them to push the collective (regional) objectives to have better influence in the State. It would
24 also help drive the 2024 budget process.

25
26 The Council would like to move forward with the City's Strategic Plan.

27 28 **12. COUNCIL REPRESENTATIVES TO OTHER BODIES:**

- 29 A. Diversity, Equity & Inclusion Commission recommendation to City Council for land
30 acknowledgments relative to Native Americans (*Page 130, City Council agenda packet*)

31
32 Councilor Wilkie reviewed and explained the DEI Commission recommendations to the Council.

33
34 In consultation with a local Abenaki chief, we created the following land acknowledgement that applies
35 to Lebanon, NH. We are posting this on our DEI website for public information, and we urge anyone
36 who uses the land acknowledgement to do so judiciously and sparingly. If land acknowledgements are
37 overused or voiced without action, they can lose their gravity and meaning.

38
39 It might be appropriate to read the land acknowledgment before meetings or events that relate to topics
40 such as: lands considered sacred, race relations, holidays and celebrations, or historical/heritage
41 representations. We caution that the repercussions of historical and contemporary discrimination are
42 still very present in the lives of the Abenaki peoples today, and misusing/overusing the land
43 acknowledgment may only serve to open wounds without offering any meaningful resolution.

44
45 Councilor Wilkie read the recommendations preamble as listed below:

46
47 *Every community owes its existence and vitality to generations from around the world who contributed*
48 *their hopes, dreams, and energy to making the history that led to this moment. Some were brought here*
49 *or removed against their will, some were drawn to leave their distant homes in the hope of a better life,*
50 *and some have lived on this land for more generations than can be counted.*

1 *The City of Lebanon is situated upon ancestral and unceded lands of the Abenaki people, known as the*
2 *Alnôbak in their own language. The land, known as Koas (place of the Pines), sits within the greater*
3 *ancestral territory of the Abenaki and Wabanaki homeland, called Ndakinna. This acknowledgement*
4 *reminds us of the significance of place, the continued existence of Abenaki people, and our commitment*
5 *to building respectful relationships with those who call these lands home today.*

7 The Mayor and Council supported the DEI recommendations and Councilor Liot Hill suggested the City
8 Council adopt this acknowledgement at their organizational meeting in March 2023 and ask other
9 Boards/Committees/Commission to do something similar at least once each year.

11 City Manager Mulholland noted a video is being created to talk about the Native Americans who lived in
12 this area.

14 Mayor McNamara suggested the School Board might like to make this topic available as part of their
15 curriculum.

17 **13. FUTURE AGENDA ITEMS:**

- 18 • **March City Council Organization Meeting:** Add Diversity, Equity & Inclusion Commission
19 recommendation (above) to City Council for land acknowledgments relative to Native Americans
20 to agenda.

22 **14. NON-PUBLIC SESSION: NONE**

24 **15. ADJOURNMENT:**

25 *Councilor Heistad MOVED for adjournment.*

26 *Seconded by Councilor Simon.*

28 **The Vote on the MOTION was unanimously approved (9-0)*

30 **The meeting was adjourned at 9:10 PM.**

32 Respectfully submitted,
33 Dona E. Gibson
34 Recording Secretary

DRAFT

**LEBANON CITY COUNCIL
REGULAR SESSION MINUTES
Wednesday, December 14, 2022, 6:00 p.m.**

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

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

MEMBERS ABSENT: Erling Heistad

STAFF PRESENT: City Manager Shaun Mulholland, Deputy City Manager David Brooks, City Clerk Kristin Kenniston, Director of Planning & Development Nathan Reichert, Senior Planner Tim Corwin, Finance Director Vicki Lee, Deputy Finance Director Alesia Williams, Chief of Police Phillip Roberts, Deputy Chief of Police Matthew Isham, City Engineer Brian Vincent, Public Works Assistant Director Jay Cairelli, Lebanon Libraries Director Sean Fleming, Human Services Director Lynne Goodwin, Chief Innovation Officer Melanie McDonough, Cyber Services Director Perry Eaton

1. CALL TO ORDER: Mayor McNamara called the meeting to order at 6:00 p.m.

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

2. PLEDGE OF ALLEGIANCE: Councilor Whittlesey led the Council in the Pledge.

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

4. OPEN TO PUBLIC:

- Councilor Liot Hill thanked the Recreation, Arts & Parks Department for doing a great job with Lebanon's Seasonal Celebration
- Councilor Wilkie spoke about the December 21, 2022 Homeless Vigil starting at 5:30PM in Colburn Park. This is to honor those who have lost their lives due to being homeless. He, City Manager Mulholland and Human Services Director Lynne Goodwin will be spending the night outside.

This document was also provided as a guide to help facilitate adoption of the 2023 City Budget.

2023 CITY BUDGET ADOPTION GUIDE – DECEMBER 14, 2023

• In conformance with Section C419:41 of the Lebanon City Charter, the Notice of Public Hearing for the 2023 Budget adoption process was published in the Valley News on Tuesday, November 29, and Tuesday, December 6, 2022.

• Budgets are adopted by the City Council on a fund basis. A fund segregates revenues and expenditures that are legally restricted to specific uses.

• A majority of City Councilors present and voting, with a quorum of at least **five** members present, is required to approve the annual budget. The issuance or rescission of bonds or notes must be authorized by at least 2/3 (**six**) of the members. The change of purpose for a capital reserve fund must be authorized by at least 3/4 (**seven**) of the members.

• The City Council may act on the amendments as written, or they may be modified. Amendments may perish for lack of movement and seconding, or other amendments may be introduced.

• Once the relevant Resolution (MAIN MOTION) has been moved and seconded, amendments may be introduced by being moved and seconded and voted on. If passed, the vote is then on the MAIN MOTION AS AMENDED.

• Clarity of Resolutions is imperative as the New Hampshire Department of Revenue Administration, and the City's bond counsel review the meeting minutes and actions associated with appropriation and debt issuance authorization for compliance with New Hampshire law.

Summary of City Manager's Proposed 2023 City Budget: (amendments to be introduced where applicable during proposed action)

<u>Fund</u>	<u>2023 Budget</u>	<u>\$ Chg. v. '22</u>	<u>Source of Revenues</u>	<u>2023 Budget</u>	<u>\$ Chg. v. '22</u>
General	\$38,372,240	\$1,481,120	Taxes	\$25,855,720	\$985,110
Solid Waste Disposal	\$4,916,230	\$709,780	Licenses and Permits	\$4,107,680	\$713,310
Water Treatment and Distribution	\$4,436,960	\$295,670	Intergovernmental	\$21,762,840	\$15,012,910
Sewage Collection and Disposal	\$7,862,020	\$597,690	Charges for Services	\$18,537,860	\$983,250
Municipal Airport	\$2,035,470	\$556,160	Miscellaneous Sources	\$6,952,480	\$4,748,520
Emergency Management	\$25,000	\$0	Interfund Transfers	\$2,881,600	\$542,560
Heritage Fund	\$400	\$0	Bond Proceeds	\$12,989,610	\$3,498,700
Capital Improvements	\$39,255,540	\$22,890,200	Total	<u>\$93,117,790</u>	<u>\$26,484,360</u>
TIFD	<u>\$623,780</u>	<u>\$238,070</u>	Applied/(Realized) Fund Balance	<u>\$4,409,850</u>	<u>\$284,330</u>
Total	<u>\$97,527,640</u>	<u>\$26,768,690</u>	Total Revenues and Fund Balance	<u>\$97,527,640</u>	<u>\$26,768,690</u>

The estimated 2023 Municipal Tax Rate is \$8.84 per \$1,000 of assessed real estate value, an increase of \$0.22 or 2.5% from the 2022 tax rate. A single-family home assessed for \$250,000 will have an estimated 2023 municipal tax bill of about \$2,210, an increase of \$55. Four rates make up the Total Tax Rate: Municipal, School: Local and State, and County. *This budget concerns the Municipal portion only.*

Increases of 8.0% and 7.2% to water and sewer service rates, respectively, are factored into the budget.

ORDER OF BUSINESS:

1. OPEN PUBLIC HEARING

2. CLOSE PUBLIC HEARING

3. ENACT RESOLUTIONS TO ADOPT 2023 BUDGET

Proposed Resolutions include the following:

<u>Resolution</u>	<u>Page</u>	<u>Purpose of Action</u>
No. 1	3	To Vote on the General Fund Budget
No. 2	3	To Vote on the Solid Waste Disposal Fund Budget
No. 3	3	To Vote on the Water Treatment and Distribution Fund Budget
No. 4	4	To Vote on the Sewage Collection and Disposal Fund Budget
No. 5	4	To Vote on the Municipal Airport Fund Budget
No. 6	4	To Vote on the Emergency Management Fund Budget
No. 7	5	To Vote on the Heritage Fund Budget
No. 8A&B	5	To Vote on the Tax Increment Finance Districts Budgets
No. 9	6	To Vote on the Capital Improvements Fund Budget
No. 10	7	To Vote on the Authorization of the Issuance of Bonds or Notes to Finance 2023 Capital Improvements
No. 11	8	To Vote on Authorizing the City Manager to Apply for New Hampshire Clean Water State Revolving Fund Loans for up to \$1,387,250 and to Designate the City Manager as Authorized Representative of the City.
No. 12	9	To Vote on Authorizing the City Manager to Apply for New Hampshire Drinking Water State Revolving Fund Loans for up to \$3,103,500 and to Designate the City Manager as Authorized Representative of the City.
No. 13	10	To Vote to Authorize the disbursement of Water Investment Fee Funds in the amount of \$175,000 to partially fund the New Source Water Supply Study
No. 14	10	To Vote to Expand the Purpose of an existing Capital Reserve Fund in accordance with NH RSA 34:11
No. 15	11	To Vote to Establish a Public Assistance Revolving Fund in accordance with NH RSA 31:95-H
No. 16	11	To Vote to Authorize the Transfer of Unencumbered Appropriated Fiscal Year 2022 General Funds to Other Municipal Funds

5. PUBLIC HEARING ITEMS:

A. ADOPTION OF 2023 CITY BUDGET – Public Hearing for the purpose of receiving public input and taking action to adopt the 2023 City Budget as proposed by the City Manager with additional actions to include: authorizing the issuance of bonds or notes to finance 2023 capital improvements; authorizing the City Manager to apply for NH Drinking Water and/or Clean Water State Revolving Fund Loan(s) and designating the City Manager as authorized representative of the

City; authorizing the disbursement of Water Investment Fee Funds; expanding the purpose of an existing capital reserve fund; establishing a Public Assistance Revolving Fund; and authorizing the City Manager to transfer unencumbered appropriated fiscal year 2022 general funds to other municipal funds.

Included in Agenda: *(Pages 3-30 , Council agenda packet)*

1. Overview Presentation of Proposed 2023 Annual Budget
2. 2023 City Budget Adoption Guide – December 14, 2022

Information Available but not included in agenda packet:

1. [2023 Proposed City Manager Budget Information](#)

City Manager Mulholland gave a 27 page presentation (*available on the City's website or on the pages listed above in the Council agenda packet*) and reviewed the proposed 2023 Annual Budget.

Mayor McNamara opened the Public Hearing on the proposed 2023 City Budget and the following came forth:

Ms. Roberta Storm (Ward 3):

1. She spoke about the budget increase of almost 38% in one year. Mayor McNamara explained that it does include borrowing for Capital Projects and City Manager Mulholland noted that the projects are included in the budget for one year but are paid for over the next 20-years.
2. She was also upset about her new tax assessment and felt it was opportunistic since the City went through a tax assessment two years ago. Frankly, it is breaking the resident's backs.

Mayor McNamara explained that it was not opportunistic, it was forced on them by State Law and City Manager Mulholland explained how the economy has changed so rapidly causing the value of properties to increase, noting the City has to assess properties, according to State Law, within 90-110% of their value and explained the process. Mayor McNamara added that if the City stays within the ratios, revaluations will take place every 5-years. If we go outside the ratios, then revaluations need to take place more frequently.

3. She also questioned if anything was done to make the commercial vs. residential properties more equitable.

City Manager Mulholland explained how residential property values have risen more than commercial properties. Mayor McNamara noted the City is not allowed to have differential tax rates (i.e., one tax rate for commercial properties and another rate for residential properties) under State Law.

Assistant Mayor Below stated it is not the City Council who would be driving you out of Lebanon, it is the State's Tax Policy, which is determined by the State Legislature. The State Legislature has chosen a system to rely on property values, so when property values move, and your income does not move, it creates problems. This community has supported trying to change this by shifting toward an income tax basis for funding public education, in particular, which is 2/3 of the overall picture. Unfortunately, what we have seen is just a shift from one class of property (commercial sector) to the residential sector and is disconnected from what we are doing in terms of providing a responsible level of City services. If the shift had not occurred, your City share of property taxes might have gone up by only 4%. While it may appear the tax increases are coming from the City's spending, it is actually coming from the State's Tax Policy.

Mayor McNamara noted the City has been advocating for a broad-based tax in the State for years to supplement the property taxes as a source of revenue. Literally, every State around us has a broad-based tax. New Hampshire does not.

Mr. John Hebert (17 Trues Brook Road): He spoke about his concerns regarding the window of time to request an abatement and asked how re-assessments were done. City Manager Mulholland explained abatements are due by March 15th by State Law. The revaluations were done by market values for different types of homes. Every year, we do 20% of the City and pick up the new sales that occur.

Ms. Mary Davis (no ward given): She spoke about her concerns with the rise in property taxes noting she is on a limited income and is 76 years old. She wanted to know what kind of help the City can offer to help pay taxes. She also spoke about the trailer she owns is 51-years old and was assessed 2-years ago at \$24K, this year it went up to \$44,400. Where is some help?

City Manager Mulholland noted she can apply for an elderly exemption at the Assessing Department. The Elderly exemptions are due by April 1st of each year. The City cannot reduce the interest rate as it is set by State Statute reiterating the State Legislature sets the law on taxation. Mayor McNamara noted that if she felt her assessment was too high, she can appeal this through the Assessing office, as well as apply for the elderly exemption.

Hearing no further comments from the public, the Public Hearing was closed.

RESOLUTION NO. 1

*** MOTION BY COUNCILOR LIOT HILL TO MOVE PASSAGE OF RESOLUTION NO. 1 TO APPROPRIATE \$38,372,240 FOR GENERAL CITY OPERATIONS:**

RESOLVED, for the purpose of authorizing and financing the General Fund budget.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the amount of \$38,372,240.

This resolution shall be effective January 1, 2023.

SECONDED BY COUNCILOR WHITTLESEY.

Council Discussions:

City Manager Mulholland spoke about his conversations with Tri-County CAP (TCCAP), noting he was able to work with them regarding the contract language for the Welcome Lebanon Ordinance. They both felt comfortable they can meet their mission (with the State and Federal Government) and fulfill the City's requirement for the Welcome Lebanon Ordinance. He recommended the Council add their funds (\$28,600) back into the budget, noting the services they provide are very valuable on the Human Services (HS) side.

The Council discussed:

- Whether or not the \$28,600 would take pressure off the City's existing Human Services Department in terms of staff time or in the direct services they are providing. The City Manager was confident they (TCCAP) would provide the wraparound services that HS needs. There will also be an agreement for services provided by all Human Services Agencies, and

- Whether or not the \$28,600 (added to the Human Services budget) would be enough to cover the level of resources the City would be making available for Human Services.

Councilor Wilkie spoke about the importance of continuing to foster and rebuild the Tri-County Cap connection but was concerned the looming crisis of the pending Federal Government funds would be an onerous problem that will continue in terms of how we support those individuals who need assistance financially and how this would impact the administrative side of things. While the \$28,600 sounds like it would be a great investment with Tri-County CAP, he reflected on the needs in the community, which he felt could far exceed this amount. The City Manager noted Tri-County CAP is mostly funded by the Federal Government, donations and municipalities, noting they did not fail to provide resources to the City. Basically, this would be providing any assistance to them for the work they do in Lebanon.

COUNCILOR LIOT HILL MOVED TO AMEND THE MAIN MOTION (FOR RESOLUTION NO. 1) TO ADD \$28,600 FOR TRI-COUNTY CAP. SECONDED BY COUNCILOR WILKIE.

Councilor Whittlesey was not convinced this Resolution does what is being proposed and spoke about how much extra work this would cause regarding services being provided at a time of intense need. He was also concerned about a potential pattern of behavior (by Tri-County CAP) and was hoping to get a clear plan. \$28K does not solve our root cause issues (i.e., poor documentation; poor data sharing; poor support). To him, the mission of Tri-County CAP would ethically or morally require them to provide that information and felt this was not being done.

Mayor McNamara gave his perspective noting that based on the City Manager's meeting with their CEO, he felt this was an important step on the City's part to hold them accountable. While it is not in writing, it is clear to them that future contributions to their budget and ensuing City budgets are dependent upon their performance in the upcoming year. This is an investment worth making, but it is made with the understanding that if there is not a significant change in their level of cooperation with the City over the next fiscal year, it would be very hard to justify in the following year.

Councilor Wilkie concurred with the Mayor but still believed adding another FTE to HS is desperately needed and explained his reasoning.

Councilor Sykes noted Tri-County CAP spends a lot of money in this City to try to alleviate many different problems (i.e., weatherization; provide homeless shelters in the county; provide fuel assistance, etc.).

Councilor Whittlesey spoke about his reasons for adding an FTE to Human Services and the services that was not being done by Tri-County CAP, as discussed in past meetings. To him it is either supporting the FTE (for Human Services) or supporting the funds for Tri-County CAP. We have to do one or the other because the City does not have unlimited funds.

Assistant Mayor Below spoke about the long tradition of New Hampshire municipalities supporting Human Service Agencies because they help relieve municipalities of their constitutional responsibilities to take care of the poor. And explained how this works. Tri-County CAP has always provided services to this community. At this point, the issue that was otherwise keeping them from being funded by the City has been resolved and it makes sense to have this put back in the budget.

Councilor Wilkie concurred with Assistant Mayor Below and recognized that we need to remain fiscally responsible and be very sensitive to the potential tax increases. With that said, he did not see a \$28K contribution as being a sufficient substitute for an FTE in Human Services and explained his reasons.

1 He suggested using the Revolving Fund to meet the needs of Lebanon's residents, and spoke about the
2 need to continue looking for, and adding, a Low Barrier Shelter in the City. He advocated for
3 supporting both the Tri-County CAP and the critical need for adding a FTE to Human Services.
4

5 Councilor Liot Hill concurred with Assistant Mayor Below and supported adding these funds back into
6 the 2023 Budget. She hoped the leadership of Tri-County CAP heard the Council's concerns with their
7 behavior. This will give us the opportunity to have some conversation over the coming year about what
8 the City's expectations are, noting Tri-County CAP is part of the fabric of the City's Human Services
9 network.
10

11 City Manager Mulholland wanted to make it very clear that the City's plan was not to hire someone
12 fulltime (FTE) for Human Services to somehow do the job of Tri-County CAP.
13

14 **Vote on First Amendment to RESOLUTION NO. 1**

15
16 ****THE VOTE ON AMENDING RESOLUTION NO. 1 TO ADD \$28,600 FOR TRI-COUNTY CAP***
17 ***WAS APPROVED (7-1)***
18

19 ***COUNCILOR SYKES MOVED TO INCREASE RESOLUTION NO. 1 BY THE AMOUNT OF***
20 ***\$60,000.00 (SIXTY THOUSAND DOLLARS).***
21 ***SECONDED BY COUNCILOR WILKIE.***
22

23 Councilor Sykes spoke to his motion noting that Lebanon's population in Grafton County represents
24 about 15.7% of the county and with Hanover, Enfield and Lebanon combined it is more than 30% of the
25 population of Grafton County. The 2021 census shows Lebanon's population is now about 15,601 (an
26 8.7% $\geq$ in population). Lebanon has the highest density of all three counties that Tri-County CAP
27 services. We have to make the connection that with higher density comes more problems and one of the
28 problems Lebanon needs to be looking at is the homeless. We have heard there are approximately 70
29 homeless people in Lebanon who receive ERAP funds for hotel/motel rooms. Statewide, there are 700
30 people who receive NHERAP funds, but the homeless population is actually closer to 5K. In addition,
31 there are housing issues, and referenced an article in the Valley News that talked about how outside
32 investors are purchasing apartment buildings, evicting the people who have lived there (some for
33 decades), so they can upgrade the apartments and charge more rent. As these types of rental costs
34 increase it will only exacerbate people being able to stay in their homes. It is also important to put a
35 face on the people we are talking about (i.e., 15% of the people going into shelters in New Hampshire
36 are children; 14% are chronically homeless; 4% are veterans; 23% are victims of domestic violence;
37 33% have a known mental illness, 17% have physical disabilities, and 7% have developmental
38 disabilities). This is the real face of people we have an obligation, as a society, to help.
39

40 Mr. Sykes submitted to the Council that there is a need for an additional Human Resources FTE and
41 spoke about what he sees this person helping with, noting the importance for the Council to be mindful
42 regarding this underserved population.
43

44 Councilor Wilkie spoke to his second and concurred with Councilor Sykes regarding the need for an
45 additional FTE for Human Services. We should avoid the problem from becoming critical before we
46 address a solution, especially in an area that we have deemed a priority.
47

48 Councilor Liot Hill spoke about whether we should consider targeting additional resources for Human
49 Services. In the past, when the City was facing a financial crisis, the Council at that time decided to
50 make a one-time increase in appropriations (around \$100K) to Social Service Agencies. With that spirit
51 in mind, she asked if the Council should consider targeting additional resources to Human Services and

1 explained her reasons for doing so. People are in distress and while we may not solve the problem, we
2 can at least make a difference to help some families get through a difficult winter while simultaneously
3 looking at root causes/systemic issues; a low barrier shelter; and addressing a comprehensive housing
4 plan.

5
6 Councilor Zook questioned if it would be possible/appropriate for the Flex Fund to be used to hire an
7 additional FTE by allocating \$60K to that fund and using it as benefit to the residents.

8
9 Assistant Mayor Below noted this would be addressed in Resolution #15 (*page 38 of the Council agenda*
10 *packet*) and explained why passing Resolution #15 would establish assistance through a Revolving Fund
11 to provide additional assistance. From a tax point of view, it does not matter whether we make this
12 additional appropriation or not, it matters how much money goes into the fund and what is spent out of
13 this fund. He was uncertain if it would be better spent as an additional FTE or if it would be better spent
14 for additional assistance in a variety of different ways. Whether it is spent or not, the City Manager
15 would have the discretion to use it as an FTE or not. The City Manager has come up with a mechanism
16 for which we can provide for this without having to immediately start considering additional
17 appropriations and felt it was important to send a signal, whether it is by passing Resolution #15 or this
18 amendment, that we (City Council) recognize there is a need for additional resources within the City.

19
20 Mayor McNamara was hesitant to vote for this specific amount for this specific purpose. In his opinion,
21 Human Services puts a lot of thought into their budget throughout the year. He was in favor of
22 Resolution #15.

23
24 Councilor Whittlesey spoke about his reasons for supporting Resolution #15 and the Revolving Fund,
25 noting these have a clear purpose (i.e., here's what we are going to do/target). Providing resources
26 without a general plan is not useful. He thought it would be hard to say to residents: We have to make
27 funds available because people are being taxed out of their homes, but then raise the taxes because we
28 are adding more funds. He did not support this amendment and further explained his reasoning.

29
30 Councilor Sykes agreed the Council should be putting at least \$100K into the Revolving Fund. His
31 concern was that if the amendment he offered was defeated, then the City Council would not put any
32 additional funds in the Revolving Fund and explained his reasoning. He also felt Human Resources was
33 hesitant to ask for the resources they really need and explained his past experience with this issue.

34
35 In response to Councilor Sykes question regarding the impact this amendment would have on the
36 property taxes, City Manager Mulholland noted it would be a .03 cent > in the tax rate.

37
38 Councilor Wilkie spoke about his observations with Tri-County CAP, noting they do not add any
39 additional human resources to the City. He questioned if there has been any consideration as to what
40 level of administrative burden will be added by the Revolving Fund. City Manager Mulholland noted it
41 would not be significant because we have an agreement with The Haven, who will manage those
42 administrative operations. He was also concerned that if we add this amendment (60K) to the \$28,600
43 the City would not be reaching the \$100K that Councilor Liot Hill spoke about.

44
45 Councilor Whittlesey noted that \$100K is already being proposed for the Revolving Fund so we are
46 actually talking about adding \$188 to the budget. He supported the Revolving Fund because it is a
47 targeted approach that will allow us to support the residents in at risk communities. He also questioned
48 what the role would be for a FTE, noting there is no clear plan for this and would not support it.

49
50 Councilor Liot Hill spoke about how the \$60K proposed by Councilor Sykes was not specifically for an
51 FTE, it was a motion to add \$60K to the budget and is intended to increase internal capacity within the

Human Services Department. It is a very targeted approach to try and increase capacity within a HS department that has a very clear mission, which is to support people in distress; managed by professionals who know exactly what they are doing and, how to target resources. \$60K in a +/- \$38M budget would add maybe two cents (\$.02) to the tax rate and felt this was not unreasonable.

In response to Councilor Simon's question regarding what happens to the appropriated funds if it is not spent, City Manager Mulholland stated unspent funds will go into the Unassigned Fund Balance.

City Manager Mulholland requested the Council not to raise the tax rate for 2023 but rather take the funds in this year's budget to allow him to go to \$160K instead of \$100K, noting this will not raise the tax rate any more than we have. We have a statutory obligation to provide welfare services, so if the budget runs out, he has to take funds from someplace else in the City Budget. He did not feel the \$60K was actually needed at all because he would take funds from somewhere else in the budget if needed.

The Council continued to debate: adding funds to Resolution #16 by adding an additional bullet stating "an additional amount, not exceeding \$260K", which would include the \$60K without directly impacting the upcoming tax rate; increasing the amount that goes into the Revolving Fund for direct assistance to people who need it; increasing capacity within the Human Resources Department; how looking at a Low Barrier Shelter should be within the Planning Department to start with at first (i.e., finding site, design, etc.) then resources can be made available to Human Services; how The Haven would be handling the administrative funds; how Human Services is helping people fill out applications so they can get State/Federal funds; and, how the State requires approximately 25 pages in an application request for heating assistance for each household that would require assistance from Human Services.

Vote on Second Amendment to RESOLUTION NO. 1

*** THE VOTE FROM COUNCILOR SYKES TO AMEND RESOLUTION NO. 1 BY INCREASING THE AMOUNT TO \$60,000.00 (SIXTY THOUSAND DOLLARS) WAS APPROVED (5-3).**

Councilor Liot Hill spoke to the motion by explaining the reasons why she felt the City, and taxpayers in the State of New Hampshire are burdened more than any other State, noting it is time for us to build a coalition of taxpayers who are similarly burdened because something has to change: it is not sustainable.

*** VOTE ON THE MAIN MOTION FOR RESOLUTION NO. 1, WITH THE TWO AMENDMENTS IN THE AMOUNT OF \$38,460,840 (THIRTY-EIGHT MILLION, FOUR HUNDRED SIXTY THOUSAND AND EIGHT HUNDRED AND FORTY THOUSAND DOLLARS) GENERAL BUDGET, WAS APPROVED (8-0).**

The Council took a break at 8:10 PM and returned at approximately 8:20 PM.

RESOLUTION NO. 2

*** MOTION BY COUNCILOR WILKIE TO MOVE PASSAGE OF RESOLUTION NO. 2 TO APPROPRIATE \$4,916,230 FOR SOLID WASTE DISPOSAL:**

RESOLVED, for the purpose of authorizing and financing the Solid Waste Disposal Fund budget.

1 BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the
2 amount of \$4,916,230.

3
4 This resolution shall be effective January 1, 2023.

5
6 **SECONDED BY COUNCILOR LIOT HILL.**

7 *** VOTE ON RESOLUTION NO. 2 WAS APPROVED (8-0).**

8
9 **RESOLUTION NO. 3**

10
11 ***MOTION BY COUNCILOR LIOT HILL TO MOVE PASSAGE OF RESOLUTION NO. 3**
12 **TO APPROPRIATE \$4,436,960 FOR WATER TREATMENT AND DISTRIBUTION:**

13
14 RESOLVED, for the purpose of authorizing and financing the Water Treatment and Distribution Fund
15 budget.

16 BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the
17 amount of \$4,436,960.

18
19 This resolution shall be effective January 1, 2023.

20
21 **SECONDED BY COUNCILOR WILKIE.**

22 *** VOTE ON RESOLUTION NO. 3 WAS APPROVED (8-0).**

23
24 **RESOLUTION NO. 4**

25
26 ***MOTION BY ASSISTANT MAYOR BELOW TO MOVE PASSAGE OF RESOLUTION NO. 4**
27 **TO APPROPRIATE \$7,862,020 FOR SEWAGE COLLECTION AND DISPOSAL:**

28
29 RESOLVED, for the purpose of authorizing and financing the Sewage Collection and Disposal
30 Fund budget.

31
32 BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated
33 in the amount of \$7,862,020.

34
35 This resolution shall be effective January 1, 2023.

36
37 **SECONDED BY COUNCILOR WHITTLESEY.**

38 *** VOTE ON RESOLUTION NO. 4 WAS APPROVED (8-0).**

39
40 **RESOLUTION NO. 5**

41
42 *** MOTION BY COUNCILOR SIMON TO MOVE PASSAGE OF RESOLUTION NO. 5 TO**
43 **APPROPRIATE \$2,035,470 FOR MUNICIPAL AIRPORT OPERATIONS:**

44
45 RESOLVED, for the purpose of authorizing and financing the Municipal Airport Fund budget.

46
47 BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated
48 in the amount of \$2,035,470.

1 This resolution shall be effective January 1, 2023.

2
3 **SECONDED BY COUNCILOR SYKES.**

4 *** VOTE ON RESOLUTION NO. 5 WAS APPROVED (8-0).**

5
6 **RESOLUTION NO. 6**

7
8 ***MOTION BY COUNCILOR ZOOK TO MOVE PASSAGE OF RESOLUTION NO. 6**
9 **TO APPROPRIATE \$25,000 FOR EMERGENCY PREPAREDNESS:**

10
11 RESOLVED, for the purpose of authorizing and financing the Emergency Management Fund budget.

12
13 BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated
14 in the amount of \$25,000.

15
16 This resolution shall be effective January 1, 2023.

17
18 **SECONDED BY COUNCILOR SIMON.**

19
20 *** VOTE ON RESOLUTION NO. 6 WAS APPROVED (8-0).**

21
22 **RESOLUTION NO. 7**

23
24 ***MOTION BY COUNCILOR SYKES TO MOVE PASSAGE OF RESOLUTION NO. 7**
25 **TO APPROPRIATE \$400 FOR HISTORIC RESOURCES & PRESERVATION EFFORTS:**

26
27 RESOLVED, for the purpose of authorizing and financing the Heritage Fund budget.

28
29 BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated
30 in the amount of \$400.

31
32 This resolution shall be effective January 1, 2023.

33
34 **SECONDED BY COUNCILOR WHITTLESEY.**

35 *** VOTE ON RESOLUTION NO. 7 WAS APPROVED (8-0).**

36
37 **RESOLUTION NO. 8A**

38
39 *** MOTION BY COUNCILOR WILKIE TO MOVE PASSAGE OF RESOLUTION NO. 8A TO**
40 **APPROPRIATE \$623,770 FOR THE DOWNTOWN LEBANON TAX INCREMENT FINANCE**
41 **DISTRICT:**

42
43 RESOLVED, for the purpose of financing the Downtown Lebanon Tax Increment Finance
44 District Fund.

45
46 BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated
47 in the amount of \$623,770.

48
49 This resolution shall be effective January 1, 2023

DOWNTOWN TAX INCREMENT FINANCING DISTRICT	
Revenue:	
Property Taxes	\$ 623,770
Expenditures:	
Transfer to General Fund	\$ 279,600
Future Operations & Maintenance	<u>\$ 344,170</u>
\$ 623,770	

SECONDED BY COUNCILOR WILKIE.

*** VOTE ON RESOLUTION NO. 8 WAS APPROVED (8-0).**

RESOLUTION NO. 8B

MOTION BY COUNCILOR WILKIE TO MOVE PASSAGE OF RESOLUTION NO. 8B TO APPROPRIATE \$10 FOR THE LEBANON AIRPORT-TECH PARK TAX INCREMENT FINANCE DISTRICT:

RESOLVED, for the purpose of financing the Lebanon Airport-Tech Park Tax Increment Finance District Fund.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the amount of \$10.

This resolution shall be effective January 1, 2023

LEBANON AIRPORT-TECH PARK TAX INCREMENT FINANCING DISTRICT	
Revenue:	
Property Taxes	\$ 10
Expenditures:	
Future Operations & Maintenance	\$ 10

SECONDED BY COUNCILOR LIOT HILL.

*** VOTE ON RESOLUTION NO. 8B WAS APPROVED (8-0).**

RESOLUTION NO. 9

***MOTION BY COUNCILOR LIOT HILL TO MOVE PASSAGE OF RESOLUTION NO. 9 TO APPROPRIATE \$39,255,540 FOR CAPITAL IMPROVEMENTS AND ACQUISITIONS AS PROVIDED BELOW AND IN THE TABLE LISTED ON PAGE 34, CITY COUNCIL AGENDA PACKET:**

RESOLVED, for the purpose of authorizing and financing the Capital Improvements Fund budget.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be appropriated in the amount of \$39,255,540 for expenditure in connection with the following Capital Improvements and Acquisitions:

Department	Project Name	2023	Bonds/Note Proceeds/Debt	Existing Funds from CRF	Transfers to CIP	Other (SAD, sale proceeds, DHMC PILOT, etc)	Inter- governmental Grants
AIRPORT FUND							
AIR	Runway Safety Area Improvements_18-36	\$7,040,000			\$352,000		\$6,688,000
AIR	North Air Center Apron Rehabilitation	\$1,100,000			\$55,000		\$1,045,000
AIR	Localizer Relocation Construction Oversight Services	\$200,000			\$10,000		\$190,000
	TOTAL AIRPORT	\$8,340,000	\$0	\$0	\$417,000	\$0	\$7,923,000
GENERAL FUND							
FACILITIES							
FIRE	Public Safety Facilities 2	\$40,000		\$40,000			
FLEET & EQUIPMENT							
FIRE	Ambulance Replacements	\$450,000		\$450,000			
FIRE	Staff Vehicle Replacement	\$60,000		\$60,000			
FIRE	Ladder #1 Replacement	\$1,700,000	\$1,700,000				
DPW	Fleet Replacement	\$420,000		\$420,000			
ROADS & BRIDGES							
DPW	Trues Brook Road Bridge Replacement #066-059	\$920,000	\$46,000				\$874,000
DPW	South Main Street Bridge Replacement #062-117	\$10,828,840	\$3,315,970				\$7,512,870
DPW	Kimball Street and Forest Avenue Reconstruction	\$910,000	\$910,000				
DPW	Mechanic / High / Mascoma Intersection	\$336,000	\$336,000				
DPW	Mechanic St/Slayton Hill Rd Intersection	\$0					
DPW	Mount Support Road/Lahaye Drive Intersection	\$4,350,000	\$316,640			\$4,033,360	
PLN	West Lebanon Main Street Streetscape Improvement	\$3,646,000	\$1,346,000				\$2,300,000
DPW	Water System Improvements-Miracle Mile SRF	\$223,000	\$223,000				
DPW	Estabrook Circle and Maple St Stormwater Improvement	\$85,250	\$85,250				
	TOTAL GENERAL FUND	\$23,969,090	\$8,278,860	\$970,000	\$0	\$4,033,360	\$10,686,870
WATER FUND							
DPW-WATER	Kimball Street and Forest Avenue Reconstruction	\$780,000	\$780,000				
DPW-WATER	New Source Water Supply Study Investigation Phase 1	\$175,000				\$175,000	
DPW-WATER	Water System Improvements-So. Main Bridge SRF	\$200,000	\$200,000				
DPW-WATER	Water System Improvements-Miracle Mile SRF	\$2,077,000	\$2,077,000				
DPW-WATER	Hanover Water Interconnection	\$720,000				\$560,000	\$160,000
DPW-WATER	Estabrook Circle and Maple St Stormwater Improvement	\$46,500	\$46,500				
	TOTAL WATER FUND	\$3,998,500	\$3,103,500	\$0	\$0	\$735,000	\$160,000
SEWER FUND							
DPW-SEWER	Fleet and Equipment Replacement	\$220,000	\$220,000				
DPW-SEWER	Bakers Crossing Sewer Force Main Replacement	\$890,000	\$890,000				
DPW-SEWER	Sewer Improvements-So. Main Bridge SRF	\$5,000	\$5,000				
DPW-SEWER	Kimball Street and Forest Avenue Reconstruction	\$910,000	\$469,000				\$441,000
DPW-SEWER	Estabrook Circle and Maple St Stormwater Improvement	\$23,250	\$23,250				
	TOTAL SEWER FUND	\$2,048,250	\$1,607,250	\$0	\$0	\$0	\$441,000
SOLID WASTE FUND							
DPW-SOLID	Fleet and Equipment Replacement	\$255,000			\$255,000		
DPW-SOLID	Landfill Phase 3-4 Design and Permitting	\$500,000			\$500,000		
DPW-SOLID	Landfill Gas Collection & Control System	\$144,700			\$144,700		
	TOTAL SOLID WASTE FUND	\$899,700	\$0	\$0	\$899,700	\$0	\$0
TOTAL CITY CAPITAL IMPROVEMENTS PROGRAM		\$39,255,540	\$12,989,610	\$970,000	\$1,316,700	\$4,768,360	\$19,210,870

BE IT FURTHER RESOLVED by the City of Lebanon, that the City Manager is authorized to take steps necessary and appropriate to apply for and secure maximum federal and state grant funding assistance.

This resolution shall be effective January 1, 2023.

SECONDED BY COUNCILOR SIMON.

Councilor Liot Hill spoke to her motion highlighting the Council's discussion at their last meeting with regard to West Lebanon. We are making this appropriation in the hope that the Federal funds will be approved to make the West Lebanon Capital Improvements possible. Even if these Federal funds fall through and are not available that we are also appropriating \$1.3M of City funds that can be used in some way to continue the momentum in West Lebanon on the Streetscape Improvements Project and that the City Manager plans to come back to the Council to discuss this in more details.

*** VOTE ON RESOLUTION NO. 9 WAS APPROVED (8-0).**

RESOLUTION NO. 10

*** MOTION BY COUNCILOR ASSISTANT MAYOR BELOW TO MOVE PASSAGE OF
RESOLUTION NO. 10 TO AUTHORIZE THE ISSUANCE OF BONDS OR NOTES TO
FINANCE 2023 CAPITAL IMPROVEMENTS:**

RESOLVED, by the City of Lebanon, that the City Treasurer, with the approval of the City Manager, is authorized to issue, in accordance with the Municipal Finance Act (RSA 33), a bond issue or bond issues in an amount not to exceed \$17,022,970 (Seventeen Million Twenty-Two Thousand Nine Hundred Seventy Dollars) as follows and as *depicted in the table on page 35, Council agenda packet:*

Department	Project Name	Estimated Useful Life	Paid for by	Amount
GENERAL FUND				
FLEET & EQUIPMENT				
FIRE	Ladder #1 Replacement	20 Years	Property Taxes	\$1,700,000
ROADS & BRIDGES				
DPW	Trues Brook Road Bridge Replacement #066-059	20 Years	Property Taxes	\$46,000
DPW	South Main Street Bridge Replacement #062-117	20 Years	Property Taxes	\$3,315,970
DPW	Kimball Street and Forest Avenue Reconstruction	20 Years	Property Taxes	\$910,000
DPW	Mechanic / High / Mascoma Intersection	20 Years	Property Taxes	\$336,000
DPW	Mount Support Road/Lahaye Drive Intersection	20 Years	Property Taxes	\$316,640
DPW	Mount Support Road/Lahaye Drive Intersection	20 Years	Special Assessment District	\$4,033,360
PLN	West Lebanon Main Street Streetscape Improvements	20 Years	Property Taxes	\$1,346,000
DPW	Water System Improvements-Miracle Mile SRF	20 Years	Property Taxes	\$223,000
DPW	Estabrook Circle and Maple St Stormwater Improvements	20 Years	Property Taxes	\$85,250
WATER FUND				
DPW-WATER	Kimball Street and Forest Avenue Reconstruction	20 Years	Water User Fees	\$780,000
DPW-WATER	Water System Improvements-So. Main Bridge SRF	20 Years	Water User Fees	\$200,000
DPW-WATER	Water System Improvements-Miracle Mile SRF	20 Years	Water User Fees	\$2,077,000
DPW-WATER	Estabrook Circle and Maple St Stormwater Improvements	20 Years	Water User Fees	\$46,500
SEWER FUND				
DPW-SEWER	Fleet and Equipment Replacement	20 Years	Sewer User Fees	\$220,000
DPW-SEWER	Bakers Crossing Sewer Forcemain Replacement	20 Years	Sewer User Fees	\$890,000
DPW-SEWER	Sewer Improvements-So. Main Bridge SRF	20 Years	Sewer User Fees	\$5,000
DPW-SEWER	Kimball Street and Forest Avenue Reconstruction	20 Years	Sewer User Fees	\$469,000
DPW-SEWER	Estabrook Circle and Maple St Stormwater Improvements	20 Years	Sewer User Fees	\$23,250
TOTAL CITY CAPITAL IMPROVEMENTS PROGRAM				\$17,022,970

BE IT FURTHER RESOLVED, that, except as herein otherwise provided, discretion to fix the dates, maturities, denominations, interest rate, form, and other details of said note(s) / issue(s), is hereby delegated to the City Treasurer, with the approval of the City Manager.

BE IT FURTHER RESOLVED, that, in accordance with the requirements of the Municipal Finance Act (RSA 33:2 Repayment of Loans), no loans issued to pay for public works or improvements shall exceed the expected useful life of said public works or improvements as determined by the City Council as designated in the foregoing table.

This resolution shall be effective January 1, 2023.

SECONDED BY COUNCILOR SYKES.

*** VOTE ON RESOLUTION NO. 10 WAS APPROVED (8-0).**

RESOLUTION NO. 11

*** MOTION BY COUNCILOR SIMON TO MOVE PASSAGE OF RESOLUTION NO. 11 TO
AUTHORIZE THE CITY MANAGER TO APPLY FOR NEW HAMPSHIRE CLEAN WATER
STATE REVOLVING FUND LOAN(S) UP TO \$1,387,250 (ONE MILLION THREE HUNDRED**

EIGHTY-SEVEN THOUSAND TWO HUNDRED FIFTY DOLLARS), AND TO DESIGNATE THE CITY MANAGER AS AUTHORIZED REPRESENTATIVE OF THE CITY (as depicted below and the table on page 36, Council agenda packet):

PROJECT	AMOUNT ⁴
Kimball Street and Forest Avenue Reconstruction	\$ 469,000
Sewer System Improvements - So. Main Bridge SRF	\$ 5,000
Estabrook Circle and Maple Street Improvements	\$ 23,250
Baker's Crossing Sewer Forcemain Replacement	\$ 890,000
	\$ 1,387,250

11

WHEREAS, the City of Lebanon, after thorough consideration of the nature of water pollution problems, hereby determines that construction of certain works, described as sewer infrastructure improvement projects for Kimball Street and Forest Avenue - \$469,000; South Main Street Bridge - \$5,000, Estabrook Circle and Maple Street - \$23,250, and Baker's Crossing Sewer Forcemain Replacement - \$890,000 are desirable and in the public interest and, to that end, it is desired to apply for assistance from the Clean Water State Revolving Fund for up to \$1,387,250; and

WHEREAS, the City of Lebanon, has examined and duly considered the provisions of RSA 486:14 and the New Hampshire Code of Administrative Rules Chapter Env-Wq 500, which relate to loans from the Clean Water State Revolving Fund, and deems it to be in the public interest to file loan applications and to authorize other actions in connection therewith;

NOW THEREFORE BE IT RESOLVED, by the City of Lebanon City Council, that: 1) The City Manager is hereby authorized on behalf of the City to file an application for a loan to be made in accordance with New Hampshire Code of Administrative Rules Chapters Env-Wq 500; 2) That if such loan be made, the City agrees to repay the loan as stipulated in the loan agreement; 3) That the City Manager is hereby authorized to furnish such information and to take such other action as may be necessary to enable the City to qualify for the loan; 4) That the City Manager is hereby designated as the authorized representative of the City for the purpose of furnishing such information, data, and documents pertaining to the City for a loan as may be required, and otherwise to act as the authorized representative of the City in connection with this application; 5) That certified copies of this resolution be included as part of the application to be submitted for a loan; 6) That if such loan be made, the City agrees to make provisions for assuming proper and efficient operation and maintenance of the facilities after completion of the construction thereof.

This resolution shall be effective January 1, 2023.

SECONDED BY COUNCILOR ZOOK.

* VOTE ON RESOLUTION NO. 11 WAS APPROVED (8-0).

RESOLUTION NO. 12

* MOTION BY COUNCILOR ZOOK TO MOVE PASSAGE OF RESOLUTION NO. 12 TO AUTHORIZE THE CITY MANAGER TO APPLY FOR NEW HAMPSHIRE DRINKING WATER STATE REVOLVING FUND LOAN(S) UP TO \$3,103,500 (THREE MILLION ONE HUNDRED THREE THOUSAND FIVE HUNDRED DOLLARS) AND TO DESIGNATE THE CITY MANAGER AS AUTHORIZED REPRESENTATIVE OF THE CITY (as depicted below and in the table on page 36, council agenda packet):

PROJECT	AMOUNT
Kimball Street and Forest Avenue Reconstruction	\$ 780,000
Water System Improvements - So. Main Bridge SRF	\$ 200,000
Water System Improvements – Miracle Mile SRF	\$ 2,077,000
Estabrook Circle and Maple Street Improvements	\$46,500
	\$ 3,103,500

WHEREAS, the City of Lebanon, after thorough consideration of the nature of water pollution problems, hereby determines that construction of certain works, described as water infrastructure improvement projects for Kimball Street and Forest Avenue - \$780,000; South Main Street Bridge - \$200,000, Miracle Mile - \$2,077,000, and Estabrook Circle and Maple Street - \$46,500 are desirable and in the public interest and, to that end, it is desired to apply for assistance from the Drinking Water State Revolving Fund for up to \$3,103,500; and

WHEREAS, the City of Lebanon, has examined and duly considered the provisions of New Hampshire Code of Administrative Rules Chapter Env-Dw 1100, which relates to loans from the Drinking Water State Revolving Fund, and deems it to be in the public interest to file loan applications and to authorize other actions in connection therewith;

NOW THEREFORE BE IT RESOLVED, by the City of Lebanon City Council, that: 1) The City Manager is hereby authorized on behalf of the City to file an application for a loan to be made in accordance with New Hampshire Code of Administrative Rules Chapters Env-Dw 1100; 2) That if such loan be made, the City agrees to repay the loan as stipulated in the loan agreement; 3) That the City Manager is hereby authorized to furnish such information and to take such other action as may be necessary to enable the City to qualify for the loan; 4) That the City Manager is hereby designated as the authorized representative of the City for the purpose of furnishing such information, data, and documents pertaining to the City for a loan as may be required, and otherwise to act as the authorized representative of the City in connection with this application; 5) That certified copies of this resolution be included as part of the application to be submitted for a loan; 6) That if such loan be made, the City agrees to make provisions for assuming proper and efficient operation and maintenance of the facilities after completion of the construction thereof.

This resolution shall be effective January 1, 2023.

SECONDED BY COUNCILOR LIOT HILL.

*** VOTE ON RESOLUTION NO. 12 WAS APPROVED (8-0).**

RESOLUTION NO. 13

*** MOTION BY COUNCILOR SYKES TO MOVE PASSAGE OF RESOLUTION NO. 13 TO AUTHORIZE THE DISBURSEMENT OF WATER INVESTMENT FEE FUNDS TO PARTIALLY FUND THE NEW SOURCE WATER SUPPLY STUDY:**

RESOLVED, by the City of Lebanon, that funds in an amount not to exceed \$175,000 (One Hundred Seventy-Five Thousand Dollars) be disbursed from the Water Investment Fees Fund to the Capital Improvements Fund to partially fund the New Source Water Supply Study.

This resolution shall be effective January 1, 2023.

1 **SECONDED BY COUNCILOR WHITTLESEY.**

2 *** VOTE ON RESOLUTION NO. 13 WAS APPROVED (8-0).**

3
4 **RESOLUTION NO. 14**

5
6 *** MOTION BY COUNCILOR WHITTLESEY TO MOVE PASSAGE OF RESOLUTION NO. 14**
7 **TO EXPAND THE PURPOSE OF AN EXISTING CAPITAL RESERVE FUND IN**
8 **ACCORDANCE WITH NH RSA 34:11:**

9
10 RESOLVED, by the City of Lebanon, that the purpose of the Police Department Equipment, Vehicles and
11 Improvements Capital Reserve Fund, established on December 20, 2017, is expanded from aggregating
12 resources to effect acquisitions, and capital repairs, maintenance and/or upgrades of Police Department
13 related equipment, vehicles, and facilities, to also include the purchase, use, maintenance, and periodic
14 upgrading of Police Department software; that the Capital Reserve Fund is renamed the Police Department
15 Equipment, Vehicles, Improvements, and Software Capital Reserve Fund; and that the City Manager shall
16 be the agent of the City to carry out the objects of the Fund was established by the City Council.

17
18 This resolution is effective upon passage.

19
20 **SECONDED BY COUNCILOR SYKES.**

21 *** VOTE ON RESOLUTION NO. 14 WAS APPROVED (8-0).**

22
23 **RESOLUTION NO. 15**

24
25 *** MOTION BY COUNCILOR WILKIE TO MOVE PASSAGE OF RESOLUTION NO. 15 TO**
26 **ESTABLISH A PUBLIC ASSISTANCE REVOLVING FUND IN ACCORDANCE WITH NH RSA**
27 **31:95-h:**

28
29 RESOLVED, by the City of Lebanon, that a Public Assistance Revolving Fund be established for the purpose
30 of accumulating resources to provide general assistance for housing and emergency shelter, food, fuel,
31 utilities, and other basic necessities of the public welfare function for which the City is responsible in
32 accordance with NH RSA 165, Aid to Assisted Persons; that money in the Public Assistance Revolving
33 Fund shall accumulate from year to year and shall not be considered part of the City's General Fund; and
34 that the City Manager shall be the agent of the City to carry out the objects of the Fund was established by
35 the City Council.

36
37 This resolution is effective upon passage.

38
39 **SECONDED BY COUNCILOR WHITTLESEY.**

40
41 *** VOTE ON RESOLUTION NO. 15 WAS APPROVED. (8-0).**

42
43 **RESOLUTION NO. 16**

44 *** MOTION BY COUNCILOR LIOT HILL TO MOVE PASSAGE OF RESOLUTION NO. 16 TO**
45 **AUTHORIZE THE TRANSFER OF UNENCUMBERED APPROPRIATED FISCAL YEAR 2022**
46 **GENERAL FUNDS AS FOLLOWS:**

47
48 *NOT PART OF THE RESOLUTION – This Resolution involves the transfer of unencumbered appropriated*
49 *Fiscal Year 2022 general funds. Therefore, unlike other resolutions presented herein, the following*
50 *Resolution will be effective upon passage.*

1
2 RESOLVED, by the City of Lebanon, that the City Manager is authorized to transfer unencumbered
3 appropriated funds from the 2022 General Fund to other municipal funds as follows:
4

- 5 • An amount up to, but not exceeding, \$250,000 to the DPW Equipment and Vehicles Capital
6 Reserve Fund;
- 7 • An amount up to, but not exceeding, \$500,000 to the Fire Department Equipment and Vehicles
8 Capital Reserve Fund;
- 9 • An amount up to, but not exceeding, \$425,000 to the Police Department Equipment, Vehicles,
10 Improvements, and Software Capital Reserve Fund; and
- 11 • An amount up to, but not exceeding, \$100,000 to the Public Assistance Revolving Fund.
12

13 This resolution is effective upon passage.
14

15 **SECONDED BY COUNCILOR WILKIE.**
16

17 **ASSISTANT MAYOR BELOW MOVED TO AMEND THE LAST BULLET LINE TO READ: AN**
18 **AMOUNT UP TO, BUT NOT EXCEEDING \$150,000 TO THE PUBLIC ASSISTANCE**
19 **REVOLVING FUND.**
20

21 **SECONDED BY COUNCILOR LIOT HILL.**
22

23 City Manager Mulholland noted that the Council just raised another \$60K and then another \$150K that
24 has to come out of the Unassigned Fund Balance where we already have a hold. He previously
25 recommended that if the Council was going to raise the budget by \$60K it was not wise to do this.
26

27 Councilor Wilkie noted that the City Manager is authorized to raise “up to, but not exceed \$150K” and
28 questioned if he would still be able to transfer only the \$100K.
29

30 City Manager Mulholland noted that it is not sure he will have those funds available to do all these
31 amounts. He may need some of them, but if the Council wants him to spend \$150K, his plan is to put it
32 in there if it is available. The flexibility is intended to make sure he has these funds at the end of the year
33 because the payment of bills will not take place until the end of March 2023.
34

35 Assistant Mayor Below noted the Council anticipates that there might be more need than this, and if there
36 is not, there is \$50K that will not need to be in the fund the following year. He felt this provides the
37 flexibility that could be useful to avoid the need to have to do an additional appropriation in the middle of
38 the year.
39

40 *** VOTE ON THE AMENDMENT FROM ASSISTANT MAYOR BELOW TO AMEND THE**
41 **LAST BULLET LINE TO READ: “AN AMOUNT UP TO, BUT NOT EXCEEDING \$150,000 TO**
42 **THE PUBLIC ASSISTANCE REVOLVING FUND” TO RESOLUTION NO. 16 WAS**
43 **APPROVED. (7-1)**
44

45 ***THE VOTE ON THE MAIN MOTION TO RESOLUTION NO. 16 WAS APPROVED. (8-0)**
46

47 **Item 6. New Business was taken out of order from what was presented in the December 14, 2022**
48 **Council Agenda Packet. The remaining items (below) were discussed in the order presented.**
49

1 **6. NEW BUSINESS:**

2 **A. PROPOSED CITY CHARTER AMENDMENT** – Discussion of non-substantive changes
3 suggested by the Attorney General’s Office and order to place proposed charter amendment on
4 the March 14, 2023 ballot.
5

6 Included in Agenda: *(Note: Please refer to Pages 41-67, Council Agenda packet for complete details*
7 *and information.)*

- 8 1. Letter from Attorney General, dated December 6, 2022 and received December 12, 2022.
9 2. Draft Proposed Charter Amendment Language, including changes suggested by
10 Attorney General’s Office.
11

12 Deputy City Manager David Brooks reviewed the proposed non-substantive changes to City Charter
13 Amendments.
14

15 **BACKGROUND**

16 Following a public hearing on November 16th, the City Council adopted a Resolution determining that a
17 proposed amendment to the Lebanon City Charter to replace gender-specific pronouns and terms with
18 gender-neutral pronouns and terms was necessary and appropriate. The Resolution further directed that a
19 final report of the proposed Charter amendment should be filed with the City Clerk and that a certified copy
20 of such report should be filed by the Clerk with the New Hampshire Secretary of State, the New Hampshire
21 Attorney General, and the Commissioner of the New Hampshire Department of Revenue Administration in
22 accordance with the procedures in NH RSA 49-B. The final report of the proposed Charter amendment was
23 filed with the City Clerk and with the applicable state agencies on November 17th.
24

25 Pursuant to NH RSA 49-B:4-a, I, the Secretary of State, the Attorney General, and the Commissioner of the
26 Department of Revenue Administration have 45 days to review the proposed amendment to ensure that it is
27 consistent with the general laws of the state and to provide notice to the City approving or disapproving the
28 proposed amendment. Only after the three state agencies have approved the proposed amendment can the
29 City Council take action to have the proposed Charter amendment placed on the ballot at the next municipal
30 election on March 14, 2023.

31 On December 12th, the City Clerk received a letter from the Attorney General’s Office on behalf of all
32 three state agencies stating that they do not object to the proposed amendments. However, the Attorney
33 General’s letter also suggested three changes to the proposed amendment to avoid potential ambiguity as
34 follows:

35 **Section III, Administration:**

- 36 • In §C419:16 – consider changing “they were” to “the member was”
37 • In §C419:33 – consider changing “their” to “the officer’s”
38 • In §C419:45 – consider changing “their” to “the head’s”
39

40 If the Council wishes to incorporate the suggestions offered by the Attorney General’s Office, the City’s
41 legal counsel has indicated that no additional public hearing is required since the changes are considered
42 “non-substantive”. The attached red-line version of the proposed Charter amendment includes the suggested
43 changes in the respective sections.

44 Pursuant to NH RSA 49-B:5, I(b), within 7 days after receiving approval from the state agencies under RSA
45 49-B:4-a, the Council may order the proposed amendment to be placed on the ballot at the next regular

1 municipal election. Since the state agencies' response was received by the City on December 12th, the
2 Council should take action on or before December 19th to comply with the statutory requirement.

3 Although this issue was not previously identified on the Council's agenda for the December 14th meeting,
4 City Council Rule A191-7(D) allows "items of an urgent nature which require special attention or are in
5 need of immediate action by the Council may be placed on any agenda at the discretion of the Mayor and/or
6 City Manager."

7
8 ***Councilor Wilkie MOVED, that the Lebanon City Council hereby accepts the non-substantive changes***
9 ***suggested by the Attorney General's Office to avoid potential ambiguity with the insertion of gender-***
10 ***neutral terms, as follows:***

11 ***In Section III, Administration, §C419:16, the proposed insertion "they were" to be changed to "the***
12 ***member was".***

13 ***In Section III, Administration, §C419:33, the proposed insertion "their own" to be changed to "the***
14 ***officer's own".***

15 ***In Section III, Administration, §C419:45, the proposed insertion of two instances of "their" to be changed***
16 ***to two "the head's".***

17 ***BE IT FURTHER MOVED, that the Lebanon City Council, pursuant to its authority granted by RSA***
18 ***49-B:5, I(b), hereby orders the City Clerk to place the final draft of the proposed Charter amendment,***
19 ***including the changes outlined above, on the ballot at the next municipal election to be held on March***
20 ***14, 2023.***

21 ***Pursuant to RSA 49-B:6, IV(b), the amendment to the City Charter will become effective July 1, 2023, if***
22 ***a majority of the ballots cast at the March 14, 2023 Municipal Election favor acceptance.***

23 ***SECONDED BY COUNCILOR LIOT HILL.***

24
25 Assistant Mayor Below noted their appears to be a typo on pages 54 §419:27 under qualifications;
26 4th line down, last red edit, under where the City Manager's tenure of office states "he" (the City
27 Manager), "he" should be stricken and replaced with "the City Manager."

28
29 ****THE VOTE ON THE MOTION WAS APPROVED (8-0)***

30
31 **B. AMENDMENT TO ORDINANCE NO. 18, SALARY PLAN** – A public hearing for the
32 purpose of receiving public input and taking action to amend Ordinance No. 18, Salary Plan, to
33 include implementation of a 3% General Wage Increase, and to retitle, reclassify, and add
34 positions to the existing salary plan

35
36
37 Included in the agenda packet:

38 1. Amend Ordinance #18, Salary Plan (*Pages 41-53 , City Council agenda packet*)

39
40 City Manager Mulholland reviewed the highlights of the proposed amendments to Ordinance No.18,
41 Salary Plan, noting that this is the third reading and established a public hearing for the purpose of
42 receiving public input and taking action to amend Ordinance #18, Salary Plan, as follows:

43
44 1. Article II, Non-Affiliated and LPASE Employees, to:

- a. Implement a 3% General Wage Increase for 2023;
 - b. Increase the wage and stipend pay scales for Seasonal/Temporary & Stipend Employees;
 - c. Reclassify the following Non-Affiliated positions:
 - i) Systems Librarian and Information Technology Librarian from Grade 9 to Grade 11.
 - ii) Deputy Library Director from Grade 11 to Grade 12.
 - iii) Chief Innovation Officer and Deputy Finance Director from Grade 12 to Grade 13.
 - iv) Airport Manager, Assistant Fire Chief, and Human Resources Director from Grade 13 to Grade 14.
 - v) Deputy Police Chief from Grade 14 to Grade 15.
 - d. Reclassify the following LPASE positions:
 - i. Assistant City Engineer from Grade 9 to Grade 10.
 - ii. Cemetery Sexton, Fleet Maintenance Supervisor, Maintenance Superintendent, and Utilities Maintenance Superintendent from Grade 10 to Grade 11.
 - iii. Administrative Services Manager from Grade 11 to Grade 12.
 - e. Retitle the following positions:
 - i. Two (2) Benefits Coordinator/Payroll Specialist positions to be separated into a Benefits Coordinator position (Human Resources) and a Payroll Specialist position (Finance).
 - ii. Director of Planning and Zoning retitled as Planning and Development Director.
 - iii. Director of Public Works retitled as Public Works Director.
 - f. Reclassify and retitle the following position:
 - i. Recreation Director retitled as Recreation, Arts & Parks Director and reclassified from Grade 13 to Grade 14.
 - g. Add the following Non-Affiliated positions:
 - i. Accounting Clerk III (Finance Department) added as Grade 8.
 - ii. A combined Deputy City Clerk/Deputy Tax Collector (City Clerk) added as grade 8.
 - iii. Public Relations Coordinator (City Manager) added as grade 9.
 - iv. Deputy Human Resources Director (Human Resources Department) added as Grade 13.
 - v. Deputy Planning and Development Director (Planning and Development Department) added as Grade 13.
 - vi. Human Resources Specialist (Human Resources Department) added as Grade 14.
 - h. Add the following Seasonal/Temporary & Stipend positions:
 - i. Tree Warden (Recreation, Arts & Parks Department) added as a Stipend position.
 - ii. Lead Recording Secretary (City Clerk) added as an hourly position.
2. Article III, Bargaining Unit Employees, Section A, AFSCME LOCAL #1348/COUNCIL 93 AFL-CIO, to:
 - a) Implement a 3% General Wage Increase for 2023;
 - b) Reclassify the following positions:
 - i) Parks and Grounds Crew Foreman from Grade 7 to Grade 8.
 - ii) Electrician from Grade 8 to Grade 9.
 3. Article III, Bargaining Unit Employees, Section B, Lebanon Permanent Firefighters' Association, LOCAL 3197/International Association of Fire Fighters (IAFF), to implement a 3% General Wage Increase for 2023.

4. Article III, Bargaining Unit Employees, Section C, Lebanon Police Benevolent Association Police Benevolent Association (NEPBA), to implement a 3% wage Increase for 2023.

City Manager Mulholland reviewed the background and reasons behind all proposed amendments to Ordinance #18, Salary Plan as listed below:.

BACKGROUND

ARTICLE II NON-AFFILIATE EMPLOYEES

The City Manager is responsible for maintaining the City's Compensation and Classification Plan. Within Ordinance #18, compensation for exempt (salaried) and non-exempt (hourly) Non-Affiliated employees is expressed as a minimum and maximum grade range – hourly rates for non-exempt employees and weekly rates for exempt (salaried) employees. Movement within ranges is achieved through annual general wage and merit or step adjustments applicable for employees who are not already at the top of their wage range. To be useful, it is imperative that compensation and classification systems be kept current. This is achieved primarily by revising compensation ranges through regular general wage adjustments and by systematically reviewing all positions on a regular basis relative to meaningful sampling of the labor market and internally relative to other positions.

For general wage adjustments for Non-Affiliated (non-union) employees, the City's practice is to use the percentage change in the Northeast Urban CPI for June from 12 months prior, with a minimum adjustment of 1% (floor) and a maximum adjustment of 3% (ceiling). The same basis of adjustment is used for each of the bargaining units. The increase in the Northeast Urban CPI for the period of June 2021-June 2022 was 7.6%. As a result, the City Council is asked to take action to implement a 3% General Wage Increase for Non-Affiliated employees as part of the 2023 City Budget.

In addition, due to the increasingly competitive employment market, the City contracted with Municipal Resources, Inc. to conduct an updated Market Analysis Survey of Non-Affiliated, LPASE, and AFSCME positions included in the Ordinance #18 salary plan. Based on the results of the Market Analysis, the administration is proposing to adjust salary ranges for each pay grade and to retitle and/or reclassify identified positions to provide equitable and adequate wages for employees.

For Non-Affiliated employees, the minimum and maximum wage rates for each of the sixteen (16) pay grades have been expanded and the ranges for all grades overlap, which will assist in keeping wages competitive. Several management and director-level positions are proposed to be renamed and/or reclassified as outlined above. The administration is also proposing several new Non-Affiliated positions to be added to Ordinance #18 as summarized above.

The table below reflects the changes in position title and classification as shown in red text. Changes in wages reflects both the expansion of each range as well as the 3% GWI for Non-Affiliated employees, which would be effective as of the first pay period of 2023.

ARTICLE II, LPASE EMPLOYEES

The City and Lebanon Professional, Administrative, and Salaried Employees (LPASE) have a collective bargaining agreement that covers the three-year period of 2022-2024. According to the agreement, annual General Wage Increases (GWIs) for the life of the contract will be based on the percentage change in the Northeast Urban CPI for June from 12 months prior, but shall be no less than 1% (floor) and no greater than 3% (ceiling). Based on a 7.6% increase in the CPI as of June 2022, the applicable GWI for 2023 will be 3%. Corresponding wage schedules for 2024 are not provided as the GWI for 2024 will not be

known until July of 2023.

When negotiating the current agreement, LPASE (and the other bargaining units) agreed to forgo step and merit increases for 2023, but to continue to receive the GWI for 2023. The purpose of forgoing step and merit increases was intended to help the City absorb anticipated increases in debt service projected for 2023. However, as capital project schedules have been delayed, the anticipated debt service increases are now projected to occur in 2024 or later. As a result, the administration expects to negotiate sidebar agreements with each of the bargaining units to allow members to receive step and merit increases in 2023 upon their annual evaluation.

Based on the results of the Market Analysis Survey, six (6) positions within LPASE are proposed to be reclassified within Ordinance #18 as outlined above.

The table below reflects the changes in position grades as well as the 3% GWI for LPASE employees, which would be effective as of the first pay period of 2023.

ARTICLE II, SEASONAL/TEMPORARY & STIPEND EMPLOYEES

Due to the competitive employment market and the difficulty departments have experienced in filling seasonal and temporary positions, the administration is recommending a 6% increase to the hourly wage and stipend rates for seasonal, temporary, and stipend employees. In addition, the administration is proposing two (2) new Seasonal/Temporary and Stipend positions to be added to Ordinance #18 as outlined above.

The table below reflects proposed new positions and the 6% GWI for Seasonal/Temporary and Stipend employees, which would be effective as of the first pay period of 2023.

ARTICLE III, BARGAINING UNIT EMPLOYEES

SECTION A, AFSCME LOCAL #1348/COUNCIL 93 AFL-CIO

The City and the American Federation of State, County, and Municipal Employees (AFSCME) have a collective bargaining agreement that covers the three-year period of 2022-2024. According to the agreement, annual General Wage Increases (GWIs) for the life of the contract will be based on the percentage change in the Northeast Urban CPI for June from 12 months prior, but shall be no less than 1% (floor) and no greater than 3% (ceiling). Based on a 7.6% increase in the CPI as of June 2022, the applicable GWI for 2023 will be 3%. Corresponding wage schedules for 2024 are not provided as the GWI for 2024 will not be known until July of 2023.

Similar to LPASE mentioned above, when negotiating the current agreement, AFSCME agreed to forgo step and merit increases for 2023 to help the City absorb anticipated increases in debt service projected for 2023. Since the anticipated debt service increases are now projected to occur in 2024 or later, the administration expects to negotiate sidebar agreements with each of the bargaining units to allow members to receive step and merit increases in 2023 upon their annual evaluation.

Based on the results of the Market Analysis Survey, the administration is proposing to adjust the wage scale for AFSCME by dropping the first one or two steps in each of the nine (9) grades and adding one or two additional steps to the end of each grade. In addition, two (2) AFSCME positions are proposed to be reclassified within Ordinance #18 based on the Market Analysis.

The table below reflects the changes in position grade and wage ranges, as well as the 3% GWI for

AFSCME employees, which would be effective as of the first pay period of 2023.

**SECTION B, LEBANON PERMANENT FIREFIGHTERS' ASSOCIATION, LOCAL 3197/
INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS (IAFF)**

The City and the Lebanon Permanent Firefighters' Association, Local 3197/International Association of Fire Fighters (LPFFA/IAFF) have a collective bargaining agreement that covers the three-year period of 2022-2024. According to the agreement, annual General Wage Increases (GWIs) for the life of the contract will be based on the percentage change in the Northeast Urban CPI for June from 12 months prior, but shall be no less than 1% (floor) and no greater than 3% (ceiling). Based on a 7.6% increase in the CPI as of June 2022, the applicable GWI for 2023 will be 3%. Corresponding wage schedules for 2024 are not provided as the GWI for 2024 will not be known until July of 2023.

Similar to LPASE mentioned above, when negotiating the current agreement, LPFFA/IAFF agreed to forgo step and merit increases for 2023 to help the City absorb anticipated increases in debt service projected for 2023. Since the anticipated debt service increases are now projected to occur in 2024 or later, the administration expects to negotiate sidebar agreements with each of the bargaining units to allow members to receive step and merit increases in 2023 upon their annual evaluation.

The table below reflects the 3% GWI for LPFFA/IAFF employees, which would be effective as of the first pay period of 2023.

**SECTION C, LEBANON POLICE BENEVOLENT ASSOCIATION (LPBA)/NEW
ENGLAND POLICE BENEVOLENT ASSOCIATION (NEPBA)**

The City and the Lebanon Police Benevolent Association (LPBA)/New England Police Benevolent Association (NEPBA) have a collective bargaining agreement that covers the three-year period of 2022-2024. According to the agreement, annual General Wage Increases (GWIs) for the life of the contract will be based on the percentage change in the Northeast Urban CPI for June from 12 months prior, but shall be no less than 1% (floor) and no greater than 3% (ceiling). Based on a 7.6% increase in the CPI as of June 2022, the applicable GWI for 2023 will be 3%. Corresponding wage schedules for 2024 are not provided as the GWI for 2024 will not be known until July of 2023.

Similar to LPASE mentioned above, when negotiating the current agreement, LPBA/NEPBA agreed to forgo step and merit increases for 2023 to help the City absorb anticipated increases in debt service projected for 2023. Since the anticipated debt service increases are now projected to occur in 2024 or later, the administration expects to negotiate sidebar agreements with each of the bargaining units to allow members to receive step and merit increases in 2023 upon their annual evaluation.

The table below reflects the 3% GWI for LPBA/NEPBA employees, which would be effective as of the first pay period of 2023.

AMENDMENT PROCESS

Amending Ordinance #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 acknowledged by the City Council on November 16, 2022; the second presentation was acknowledged on December 7, 2022. The Council is asked to finalize the amendment

process by acknowledging the third presentation and acting to amend the Salary Plan following the close of the public hearing.

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

1. PRESENTATION:

Council Liot Hill MOVED, that the Lebanon City Council acknowledges the third of three presentations to amend Ordinance #18, Salary Plans, as follows:

1. Article II, Non-Affiliated and LPASE Employees, to:
 - a. Implement a 3% General Wage Increase for 2023;
 - b. Increase the wage and stipend pay scales for Seasonal/Temporary & Stipend Employees;
 - c. Reclassify the following Non-Affiliated positions:
 - i.) Systems Librarian and Information Technology Librarian from Grade 9 to Grade 11.
 - ii) Deputy Library Director from Grade 11 to Grade 12.
 - iii) Chief Innovation Officer and Deputy Finance Director from Grade 12 to Grade 13.
 - iv.) Airport Manager, Assistant Fire Chief, and Human Resources Director from Grade 13 to Grade 14.
 - v.) Deputy Police Chief from Grade 14 to Grade 15.
 - d. Reclassify the following LPASE positions:
 - i.) Assistant City Engineer from Grade 9 to Grade 10.
 - ii.) Cemetery Sexton, Fleet Maintenance Supervisor, Maintenance Superintendent, and Utilities Maintenance Superintendent from Grade 10 to Grade 11.
 - iii.) Administrative Services Manager from Grade 11 to Grade 12.
 - e. Retitle the following positions:
 - i. Two (2) Benefits Coordinator/Payroll Specialist positions to be separated into a Benefits Coordinator position (Human Resources) and a Payroll Specialist position (Finance).
 - ii. Director of Planning and Zoning retitled as Planning and Development Director.
 - iii. Director of Public Works retitled as Public Works Director.
 - f. Reclassify and retitle the following position:
 - i. Recreation Director retitled as Recreation, Arts & Parks Director and reclassified from Grade 13 to Grade 14.
 - g. Add the following Non-Affiliated positions:
 - i. Accounting Clerk III (Finance Department) added as Grade 8.
 - ii. A combined Deputy City Clerk/Deputy Tax Collector (City Clerk) added as grade 8.
 - iii. Public Relations Coordinator (City Manager) added as grade 9.
 - iv. Deputy Human Resources Director (Human Resources Department) added as Grade 13.
 - v. Deputy Planning and Development Director (Planning and Development Department) added as Grade 13.
 - vi. Human Resources Specialist (Human Resources Department) added as Grade 14.
 - h. Add the following Seasonal/Temporary & Stipend positions:

- i. Tree Warden (Recreation, Arts & Parks Department) added as a Stipend position.
 - ii. Lead Recording Secretary (City Clerk) added as an hourly position.
2. Article III, Bargaining Unit Employees, Section A, AFSCME LOCAL #1348/COUNCIL 93 AFL-CIO, to:
 - a. Implement a 3% General Wage Increase for 2023;
 - c. Reclassify the following positions:
 - i) Parks and Grounds Crew Foreman from Grade 7 to Grade 8.
 - ii) Electrician from Grade 8 to Grade 9.
 3. Article III, Bargaining Unit Employees, Section B, Lebanon Permanent Firefighters' Association, LOCAL 3197/International Association of Fire Fighters (IAFF), to implement a 3% General Wage Increase for 2023.
 4. Article III, Bargaining Unit Employees, Section C, Lebanon Police Benevolent Association Police Benevolent Association (NEPBA), to implement a 3% wage Increase for 2023.

2. **RESOLUTION:**

Councilor Liot Hill Further MOVED that:

FOR THE PURPOSE OF amending Ordinance #18, Salary Plan.

NOW THEREFORE BE IT RESOLVED, that the Lebanon City Council amends Ordinance #18, Salary Plan, as follows:

1. Article II, Non-Affiliated and LPASE Employees, to:
 - a. Implement a 3% General Wage Increase for 2023;
 - b. Increase the wage and stipend pay scales for Seasonal/Temporary & Stipend Employees;
 - c. Reclassify the following Non-Affiliated positions:
 - i.) Systems Librarian and Information Technology Librarian from Grade 9 to Grade 11.
 - ii) Deputy Library Director from Grade 11 to Grade 12.
 - iii) Chief Innovation Officer and Deputy Finance Director from Grade 12 to Grade 13.
 - iv.) Airport Manager, Assistant Fire Chief, and Human Resources Director from Grade 13 to Grade 14.
 - v.) Deputy Police Chief from Grade 14 to Grade 15.
 - d. Reclassify the following LPASE positions:
 - i.) Assistant City Engineer from Grade 9 to Grade 10.
 - ii.) Cemetery Sexton, Fleet Maintenance Supervisor, Maintenance Superintendent, and Utilities Maintenance Superintendent from Grade 10 to Grade 11.
 - iii.) Administrative Services Manager from Grade 11 to Grade 12.
 - e. Retitle the following positions:
 - i.) Two (2) Benefits Coordinator/Payroll Specialist positions to be separated into a Benefits Coordinator position (Human Resources) and a Payroll Specialist position (Finance).
 - ii.) Director of Planning and Zoning retitled as Planning and Development Director.

- iii.) Director of Public Works retitled as Public Works Director.
- f. Reclassify and retitle the following position:
 - i.) Recreation Director retitled as Recreation, Arts & Parks Director and reclassified from Grade 13 to Grade 14.
 - g. Add the following Non-Affiliated positions:
 - i. Accounting Clerk III (Finance Department) added as Grade 8.
 - ii. A combined Deputy City Clerk/Deputy Tax Collector (City Clerk) added as grade 8.
 - iii. Public Relations Coordinator (City Manager) added as grade 9.
 - iv. Deputy Human Resources Director (Human Resources Department) added as Grade 13.
 - v. Deputy Planning and Development Director (Planning and Development Department) added as Grade 13.
 - vi. Human Resources Specialist (Human Resources Department) added as Grade 14.
 - h. Add the following Seasonal/Temporary & Stipend positions:
 - i. Tree Warden (Recreation, Arts & Parks Department) added as a Stipend position.
 - ii. Lead Recording Secretary (City Clerk) added as an hourly position.
2. Article III, Bargaining Unit Employees, Section A, AFSCME LOCAL #1348/COUNCIL 93 AFL-CIO, to:
 - a. Implement a 3% General Wage Increase for 2023;
 - c. Reclassify the following positions:
 - i) Parks and Grounds Crew Foreman from Grade 7 to Grade 8.
 - ii) Electrician from Grade 8 to Grade 9.
3. Article III, Bargaining Unit Employees, Section B, Lebanon Permanent Firefighters' Association, LOCAL 3197/International Association of Fire Fighters (IAFF), to implement a 3% General Wage Increase for 2023.
4. Article III, Bargaining Unit Employees, Section C, Lebanon Police Benevolent Association Police Benevolent Association (NEPBA), to implement a 3% wage Increase for 202

The following pay plan shall be in effect the first pay period of 2023

Changes to the compensation and classification schedules are shown in red type; new positions and retitled or reclassified positions are shown in red bold type, position deletions are shown stricken and in red italics type.

REGULAR FULL-TIME/REGULAR PART-TIME NON-AFFILIATED & LPASE EMPLOYEES 2023 SALARY & GRADES TO INCLUDE 3% GWI					
Grade	Position Title	Hourly		Weekly	
		Minimum	Maximum	Minimum	Maximum
1	General Intern II	\$17.79	\$26.00	-	-
2	Custodian	\$19.99	\$26.99	-	-
	Department Secretary	-	-	-	-

3	Airport Maintenance Worker	\$21.20	\$28.61	-	-
	Custodian I	-	-	-	-
	Accounting Clerk	-	-	-	-
4	Library Assistant	\$22.46	\$30.31	-	-
	Custodial Supervisor	-	-	-	-
5		\$23.80	\$32.14	-	-
6	-	\$25.22	\$34.42	-	-
7	Administrative Secretary	\$26.75	\$37.84	-	-
	Assessing Clerk	-	-	-	-
	Assistant City Clerk	-	-	-	-
	Assistant Human Services Director	-	-	-	-
	Communications Specialist	-	-	-	-
	Library Administrative/Technical Assistant	-	-	-	-
8	Accounting Clerk III (New)	\$29.42	\$39.71	-	-
	Administrative Assistant	-	-	-	-
	Benefits Coordinator/Payroll Specialist	-	-	-	-
	Benefits Specialist	-	-	-	-
	Payroll Specialist	-	-	-	-
	Deputy City Clerk	-	-	-	-
	Deputy Tax Collector	-	-	-	-
	Deputy City Clerk/Deputy Tax Collector (New)	-	-	-	-
	Field Inspector**	-	-	-	-
	Electrical Inspector**	-	-	-	-
	Utility Billing Clerk	-	-	-	-
	Outreach Librarian	-	-	\$1,176.75	\$1,588.55
	Children's Librarian	-	-	-	-
9	Assistant City Engineer**	\$32.36	\$43.69	-	-
	Code Health Inspector**	-	-	-	-
	Executive Assistant	-	-	-	-
	Public Relations Coordinator (New)	-	-	-	-
	Digital Media Officer	-	-	-	-
	Deputy Assessor	-	-	-	-
	Cyber Services Technical Specialist	-	-	-	-
	Real Estate Appraiser II**	-	-	-	-
	Associate Planner**	-	-	\$1,294.40	\$1,747.70
	Systems Librarian	-	-	-	-
	Information Technology Librarian	-	-	-	-
10	Assistant City Engineer**	\$35.64	\$48.10	-	-
	Cemetery Sexton**	-	-	-	-
	Financial Analyst	-	-	-	-
	Fleet Maintenance Supervisor**	-	-	-	-
	Community Nurse	-	-	-	-
	Maintenance Superintendent**	-	-	-	-
	Utilities Maintenance Superintendent**	-	-	-	-
	Police Communications Supervisor**	-	-	-	-
	Recreation Program Coordinator**	-	-	\$1,425.52	\$1,924.05

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	Youth Services Librarian	-	-	-	-
11	Technical Advisor I	\$37.77	\$50.98	-	-
	Cemetery Sexton**	-	-	-	-
	Fleet Maintenance Supervisor**	-	-	-	-
	Maintenance Superintendent**	-	-	-	-
	Utilities Maintenance Superintendent**	-	-	-	-
	System Administrator	-	-	-	-
	Administrative Services Manager**	-	-	\$1,510.80	\$2,039.05
	Airport Operations Supervisor**	-	-	-	-
	Assistant Recreation Director**	-	-	-	-
	Code Enforcement Director**	-	-	-	-
	Deputy Library Director	-	-	-	-
	Fire Marshal**	-	-	-	-
	Planner/GIS Coordinator**	-	-	-	-
	Senior Planner	-	-	-	-
	Systems Librarian	-	-	-	-
	Information Technology Librarian	-	-	-	-
12	Wastewater Treatment Superintendent**	\$40.03	\$54.04	-	-
	Water Treatment Superintendent**	-	-	-	-
	Chief Innovation Officer	-	-	\$1,601.12	\$2,161.47
	Administrative Services Manager**	-	-	-	-
	City Assessor**	-	-	-	-
	City Clerk/Tax Collector	-	-	-	-
	City Engineer**	-	-	-	-
	City Planner**	-	-	-	-
	Deputy Finance Director	-	-	-	-
	Deputy Library Director	-	-	-	-
	Energy & Facilities Manager**	-	-	-	-
	Human Services Director	-	-	-	-
	Police Lieutenant**	-	-	-	-
	Prosecuting Attorney	-	-	-	-
	Solid Waste Manager**	-	-	-	-
13	Airport Manager	-	-	\$1,697.19	\$2,291.22
	Assistant Fire Chief	-	-	-	-
	Chief Innovation Officer	-	-	-	-
	Cyber Security Analyst	-	-	-	-
	Deputy Finance Director	-	-	-	-
	Deputy Human Resources Director (New)	-	-	-	-
	Deputy Fire Chief**	-	-	-	-
	Human Resources Director	-	-	-	-
	Information Systems Manager**	-	-	-	-
	Maintenance Manager**	-	-	-	-

	Recreation Director	-	-	-	-
	Police Captain**	-	-	-	-
	Deputy Planning and Development Director (New)	-	-	-	-
	Systems and Operations Administrator	-	-	-	-
14	Human Resources Specialist (New)	\$44.98	\$60.72	-	-
	Airport Manager	-	-	\$1,799.12	\$2,428.62
	Assistant Director/Public Works	-	-	-	-
	Assistant Fire Chief	-	-	-	-

**Denotes LPASE Employees for which the January 1, 2023 GWI shall be based on the NE Urban CIP for June 2021 – June 2022, but in no case shall be less than one percent (1.0%) nor greater than three percent (3%).

B. SEASONAL/TEMPORARY& STIPEND EMPLOYEES

POSITION TITLE	HOUR LY	
ELECTION POSITIONS (HOURLY)		
Ballot Clerk	-	\$15.29
Election Assistant	-	\$15.29
Supervisors of the Checklist	-	\$15.29
Moderator	-	\$21.84
Ward Clerk	-	\$21.84
ELECTION DAY STIPEND		
Chair Supervisor of the Checklist	-	\$244.86
Supervisor of the Checklist	-	\$207.44
FIRE DEPARTMENT POSITIONS		
Call Firefighter	\$12.29	\$31.16
RECREATION, ARTS & PARKS POSITIONS		
Front Desk Attendants – Pool	\$11.08	\$16.65
Lifeguards	\$11.08	\$19.11
Head/Lead Counselors	\$14.42	\$17.73
Head & WSI Lifeguards	\$13.30	\$19.93
Head Front Desk Attendant - Pool	\$13.30	\$16.63
Outdoor Adventurer - Educator	\$13.85	\$17.73
Softball Coordinator	\$13.85	\$17.73
Day Camp Counselors	\$11.08	\$16.65
Arts & Craft Director	\$14.42	\$18.56
Farmers Market Coordinator	\$15.52	\$19.95
Market Assistant	\$13.30	\$16.63
Tennis Instructor	\$16.63	\$21.06
Stomp & Romp	\$16.63	\$21.06
Pool Operations Manager	\$16.63	\$22.93
Asst. Pool Director	\$16.63	\$22.93
Assistant Camp Director	\$16.63	\$22.93
Pool Director	\$17.73	\$26.20
Camp Director	\$17.73	\$26.20

RECREATION, ARTS & PARKS STIPEND POSITIONS:		
Sport Coaches – Seasonally (Lacrosse, Track, Youth – Basketball, Field Hockey, Football, Cheerleader Coach etc. – may vary due to Programs)	\$223.82	\$780.64
Tree Warden – Stipend (New)	\$2,500	\$5,000
LIBRARY POSITIONS		
Circulation Substitutes	-	\$14.64
Custodian Substitutes	-	\$17.41
Reference Librarian Substitutes	-	\$24.73
PUBLIC WORK POSITIONS		
Engineering Clerk	\$12.20	\$15.52
GIS Clerk – (or Intern)	\$16.63	\$18.85
Seasonal Laborers – Summer & Fall DPW, Parks & Rec.& Airport	\$17.73	\$22.41
CDL Seasonal Drivers	\$24.90	\$54.59
PLANNING POSITIONS		
Park Ranger	\$16.63	\$18.85
POLICE DEPARTMENT POSITIONS		
Crossing Guard		\$18.05
*Communications Specialist	\$26.75	\$37.84
Police Administrative Aide	\$22.17	\$25.49
Parking Control Officer	\$22.17	\$25.49
Police Officers	\$28.71	\$37.95
CITY CLERK POSITIONS		
*Assistant City Clerks (Part-Time/Temp. <20)	\$26.75	\$37.84
Lead Recording Secretary (New)	\$24.91	\$30.31
Recording Secretary	\$23.83	\$26.04
Recording Secretary Coordinator	\$24.91	\$26.60
SHARED POSITION		
General Intern I	\$14.42	\$18.29

*Denotes wages increased above 6% - These positions follow the full-time pay plan wages scale.

ARTICLE III, BARGAINING UNIT EMPLOYEES

A. AFSCME LOCAL #1348/COUNCIL 93 AFL-CIO – Employees covered by the terms and conditions of the collective bargaining agreement between the City and AFSCME (American Federation of State, County and Municipal Employees) Local #1348/Council 93 AFL-CIO, (effective January 1, 2022 to December 31, 2024) shall be paid in accordance with the accompanying pay plan covering the time period of the first pay period of 2023 through the last pay period of 2023, as provided in that agreement, and as placed on file in the office of the City Clerk.

AFSCME POSITIONS	
GRADE	POSITION(s)
1	Laborer
2	Utility Operator Trainee
3	Operator; Recycling Attendant; Construction Utility Operator I; Meter/Backflow Technician; Scale Technician
4	Light Equipment Operator; Airport Maintenance Technician;
5	Heavy Equipment Operator; Utilities Operator I; Airport Maintenance Specialist; Maintainer (Cemetery Crew Leader); Utilities Operator I;
6	Mechanic; Water Treatment Plant Operator; Wastewater Treatment Plant Operator;

7	Laboratory Technician/ Utilities Plant Operator; Airport Maintenance Foreman; Parks & Grounds Crew Foreman ; Utilities Maintenance Mechanic; Engineering Technician;
8	Electrician ; Foreman; Parks & Grounds Crew Foreman
9	Chief of Quality Assurance, Electrician

AFSCME LOCAL 1348 - 2023 SALARY GRADES								3%
GWI								
	<u>Minimum</u>	<u>Maximum</u>						
<u>Grade</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>	
1	\$19.53	\$20.08	\$20.67	\$21.25	\$21.79	\$22.47	\$23.16	
2	\$21.07	\$21.68	\$22.31	\$22.92	\$23.52	\$24.25	\$25.00	
3	\$22.75	\$23.43	\$24.12	\$24.77	\$25.48	\$26.27	\$27.08	
4	\$24.57	\$25.33	\$26.06	\$26.81	\$27.59	\$28.44	\$29.33	
5	\$26.62	\$27.43	\$28.24	\$29.05	\$29.90	\$30.83	\$31.79	
6	\$28.83	\$29.69	\$30.65	\$31.59	\$32.54	\$33.51	\$34.42	
7	\$31.23	\$32.21	\$33.23	\$34.25	\$35.27	\$36.33	\$37.31	
8	\$32.80	\$33.84	\$34.91	\$35.99	\$37.14	\$38.28	\$39.77	
9	\$35.62	\$36.73	\$37.94	\$39.12	\$40.32	\$41.53	\$43.23	

The January 1, 2023 GWI shall be based on the NE Urban CIP for June 2021 – June 2022, but in no case shall be less than one percent (1.0%) nor greater than three percent (3%).

B. LEBANON PERMANENT FIREFIGHTERS' ASSOCIATION LOCAL 3197 / INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS (IAFF) - Employees covered by the terms and conditions of the collective bargaining agreement between the City and Lebanon Permanent Firefighters' Association Local 3197/International Association of Fire Fighters (IAFF), (effective January 1, 2022 to December 31, 2024) shall be paid in accordance with the accompanying pay plan covering the time period of the first pay period of 2023 through the last pay period of 2023, as provided in that agreement, and as placed on file in the office of the City Clerk.

LEBANON PERMANENT FIREFIGHTERS/IAFF - 2023 SALARY GRADES								3%GWI
<u>Minimum</u>	<u>Maximum</u>							
<u>Position Title</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>	
Firefighter - EMT	\$24.88	\$25.68	\$26.47	\$27.30	\$28.08	\$28.88	\$29.76	
Firefighter - Paramedic	\$26.88	\$27.69	\$28.54	\$29.32	\$30.12	\$30.95	\$31.81	
Fire Alarm Technician	\$31.88	\$32.54	\$33.21	\$33.84	\$34.50	\$35.13	\$35.77	
Lieutenant	\$32.03	\$32.47	\$32.93	\$33.39	\$33.83	\$34.28	\$34.73	
Fire Inspector	\$32.05	\$32.57	\$33.12	\$33.64	\$34.19	\$34.71	\$35.28	
Lieutenant - Paramedic	\$33.92	\$34.37	\$34.81	\$35.25	\$35.72	\$36.15	\$36.61	
Captain	\$38.12	\$38.51	\$38.96	\$39.37	\$39.78	\$40.22	\$40.62	
Inspector - Paramedic	\$34.11	\$34.64	\$35.15	\$35.70	\$36.22	\$36.74	\$37.33	
Captain - Paramedic	\$39.40	\$39.82	\$40.21	\$40.63	\$41.05	\$41.45	\$41.92	

The January 1, 2023 GWI shall be based on the NE Urban CIP for June 2021 – June 2022, but in no case shall be less than one percent (1.0%) nor greater than three percent (3%).

C. LEBANON POLICE BENEVOLENT ASSOCIATION (LPBA)/NEW ENGLAND POLICE BENEVOLENT ASSOCIATION (NEPBA) - Employees covered by the terms and conditions of the collective bargaining agreement between the City of Lebanon and the Lebanon Police Benevolent Association (LPBA)/New England Police Benevolent Association (NEPBA)(effective January 1, 2022 to December 31, 2024) shall be paid in accordance with the accompanying pay plan covering the time period of the first pay period of 2023 through the last pay period of 2023, as provided in that agreement, and as placed on file in the office of the City Clerk.

LEBANON POLICE BENEVOLENT ASSOCIATION – 2023 SALARY GRADES							3%GWI
<u>Minimum</u>	<u>Maximum</u>						
<u>Position Title</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>
Patrol Officer	\$28.71	\$30.38	\$31.43	\$32.98	\$34.64	\$36.39	\$37.95
Corporal	\$39.04						
Sergeant	\$39.04	\$39.86	\$40.88	\$41.93	\$42.95	\$43.97	\$45.05

The January 1, 2023 GWI shall be based on the NE Urban CIP for June 2021 – June 2022, but in no case shall be less than one percent (1.0%) nor greater than three percent (3%).

SECONDED BY COUNCILOR WHITTLESEY.

****THE VOTE ON THE MOTION WAS APPROVED (8-0).***

Before adjourning the meeting, City Manager Shaun Mulholland presented his sincere thanks, accolades and appreciation to the City Council for their dedication and the work they have done for the City of Lebanon over the past year.

7. ADJOURNMENT:

Council Whittlesey MOVED for adjournment.

Seconded by Councilor Wilkie.

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

The meeting was adjourned at 9:04 PM.

Respectfully submitted,
Dona E. Gibson
Recording Secretary

AGENDA LEBANON CITY COUNCIL JANUARY 04, 2023

8. PUBLIC HEARING ITEMS:

8.A – ORDINANCE #2023-01 TO AMEND CITY CODE CHAPTER 152, STREETS AND SIDEWALKS, ARTICLE IV, NON-PUBLIC SIGNS IN CITY HIGHWAY RIGHT-OF-WAY

A public hearing for the purpose of receiving public input and taking action to amend City Code Chapter 152, Streets and Sidewalks, Article IV, Non-Public Signs in City Highway Right-of-Way.

The City Council scheduled this public hearing at its December 7, 2022 regular meeting. The public hearing was properly noticed in the *Valley News* on December 24, 2022 in accordance with City Code and State Law.

BACKGROUND

The City Council adopted the provisions contained in Chapter 152, Article IV, Non-Public Signs in City Highway Right-of-Way on February 18, 2009. This code provision allows for the placement of political signs as defined by NH RSA 664:2 in City rights-of-way.

It is not uncommon for municipalities to prohibit the placement of any signs for any purpose (other than traffic signs posted by governmental entities) within the municipality's right-of-way. NH RSA 664:17 specifically prohibits the placement of political advertising on or affixed to any public property, including highway rights-of-way or private property, without the owner's consent.

This past summer, the City implemented a pilot program to beautify the traffic islands in the downtown area. Private businesses either donated funds or utilized their own employees to plant and care for the flowers planted in these designated traffic islands.

The City Manager has received complaints regarding political signs being placed on the traffic islands obscuring the flowers planted there. The proposed code changes limit the period of time political signs can be placed in the right-of-way. Additionally, the amendments prohibit placement of political signs on traffic islands or other portions of public highways that are designated by the City Manager as part of the City's beautification program.

Other proposed amendments included in Ordinance #2023-01 are intended to update and correct cross-references to the signage regulations within the Lebanon Zoning Ordinance.

ACTION

If the Council decides to move forward, the following motion is offered for consideration:

MOVED, that the Lebanon City Council hereby adopts Ordinance #2023-01 to amend City Code Chapter 152, Streets and Sidewalks, Article IV, Non-Public Signs in City Highway and Right-of-Way.

Included in this Section:

1. Ordinance #2023-01
2. December 28, 2022 Legal Opinion by Attorney Matthew C. Decker, RE: Amendments to City Code Chapter 152, Art. IV, "Non-Public Signs in City Highway Right-of-Way"
3. Notice of Public Hearing as Published in the December 24, 2022 Edition of the *Valley News*

**CITY OF LEBANON
ORDINANCE #2023-01**

AN ORDINANCE TO AMEND the Code of the City of Lebanon, Chapter 152, Streets and Sidewalks, Article IV, Non-Public Signs in City Highway Right-of-Way, by amending §152-34, Exceptions.

BE IT ORDAINED, by the City Council of the City of Lebanon, as follows:

Section 1:

The Code of the City of Lebanon is hereby amended to revise Chapter 152, Streets and Sidewalks, Article IV, Non-Public Signs in City Highway Right-of-Way, §152-34, Exceptions, as follows:

§ 152-34 **Exceptions.**

The following are excepted from the prohibition in this § **152-32**, above:

- A.** Political advertising, as defined in RSA 664:2, is permitted to be located on public highways if and only if in accordance with RSA 664:14 through RSA 664:17, ~~and~~ all other applicable laws or regulations including the provisions below:
1. Political advertising may only be placed within public highways 60-30 days prior to the election in which the measure or elected office is being acted upon.
 2. Political advertising may not be placed on traffic islands or other portions of public highways that are designated as part of the City's ~~b~~Beautification ~~p~~Program designated by the City Manager.
- B.** Any activity properly licensed by the City to take place on public highways, including street vendors under City of Lebanon Code Chapter **179**, street fairs under RSA 31:100, or parades licensed under RSA Ch. 286 may include signs relating to the licensed activity, to the extent permitted by the respective licensing authority.
- C.** The prohibition in this article shall not apply to official signs and devices properly erected by agents of the City itself for purposes of directing and controlling traffic, or other valid public safety or welfare purpose.
- D.** The prohibition in this article shall not apply to leaflets or placards held at all times by a human being, or to messages or information printed on clothing or other items worn by a human being, so long as said persons are not interfering with traffic and are not in violation of any other laws or ordinances.

E. The prohibition in this article shall not apply to signs painted on or otherwise affixed to motor vehicles being operated upon public highways; provided, however, that vehicles which have commercial signs painted on or otherwise attached to them shall not remain or be parked for more than three hours at any one location on any public highway right-of-way in the City, unless said vehicle is being actively used at that location for some business purpose other than parking or advertising, including but not limited to loading, unloading or utility installation or repair, and is not in violation of any other laws or ordinances. The three-hour time restriction in this subsection shall be in addition to other restrictions such as those contained in City of Lebanon Code Chapter **168**.

F. The prohibition in this article shall not apply to sandwich board signs permitted under Section 608.56(~~GA~~)(5) of the Zoning Ordinance, which are located on public sidewalks in the Central Business and Lebanon Downtown Districts only, and are otherwise in conformity with that section and all other applicable ordinances and regulations, nor to promotional banners under Section 608.82(A)(2) of the Zoning Ordinance which are explicitly permitted by the City Licensing Board.

G. The prohibition in this article shall not apply to signs which announce and give directions to yard sales which are in compliance with Section 207 of the Lebanon Zoning Ordinance; provided, however, that:

- (1) No such sign shall exceed four square feet in area;
- (2) There shall be no more than a total of three signs for any one yard sale;
- (3) The date(s) of the yard sale shall be written on each sign;
- (4) The exception in this subsection shall apply only upon the actual date of such a yard sale and the date prior to the yard sale; and
- (5) City authorities may remove or relocate any such sign which impedes traffic or visibility, or otherwise impairs the safety and convenience of the traveling public.

H. The prohibition in this article shall not apply to temporary directional signs advertising residential property for sale and located in the public right-of-way, provided that:

- (1) There shall be no more than two directional signs placed at the nearest street intersections, in each direction, to the property for sale;
- (2) Each sign shall not exceed four square feet in area;
- (3) The signs shall be removed upon completion of the transaction; and
- (4) City authorities may remove or relocate any such sign which impedes traffic or visibility, or otherwise impairs the safety and convenience of the traveling public.

Section 2: Severability

The provisions of this ordinance are declared to be severable, and if any section, subsection, sentence, clause or part thereof is, for any reason, held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of any remaining sections, subsections, sentences, clauses or part of this ordinance.

Section 3: Effective Date

This ordinance shall become effective upon passage.

Date: 12/29/2022



MEMORANDUM

TO: City Manager, Lebanon City Council**FROM:** Matthew C. Decker**DATE:** December 28, 2022**RE:** Amendments to City Code Ch. 152, Art. IV, "Non-Public Signs in City Highway Right-of-Way"

Questions Presented: Per City Code §115-3, you have requested a legal opinion in writing as to the authority and validity of proposed amendments to City Code §152-34(A) pertaining to (1) restricting the time when "political advertising" signs may be placed within the public rights-of-way to within 60 days prior to an election, and (2) restricting political advertising signs from being located within certain right-of-way areas that are designated as part of the City's beautification program.

Short Answer: The proposed amendments appear to be authorized and valid under relevant state law (RSA 664:17). However, the City should also consider refinements to the ordinance (Ch. 152, Art. IV) as a whole to reduce the risk that the code terms could be challenged under the U.S. Supreme Court case of *Reed v. Town of Gilbert, Ariz.*, 576 U.S. 155 (2015).

Analysis:

RSA 664:2, VI defines "political advertising" as "any communication, including buttons or printed material attached to motor vehicles, which expressly or implicitly advocates the success or defeat of any party, measure or person at any election".

RSA 664:17 provides, in relevant part, that "[n]o political advertising shall be placed on or affixed to any public property including highway rights-of-way or private property without the owner's consent." This is generally understood to mean that the State of New Hampshire may regulate political signs within state highways, and that local officials have control over political signs within local public rights-of-way ("ROWs"). Because the statute requires the "owner's consent", political advertising may not be placed in a City ROW (or on any other City-owned or City-controlled property) without the permission of the City.

RSA 664:17 does not further define local officials' authority in terms of whether, how or when to grant consent for political advertising in the ROWs, other than to specify that all political advertising must be removed from public property "no later than the second Friday following the election unless the election is a primary and the advertising concerns a candidate who is a winner in the primary." Therefore, the City Council has the discretion under RSA 664:17 to decide whether or not to allow political advertising signs in the City's ROWs, the time period during which such signs are permitted, and the specific locations within the ROWs where signs may or may not be placed.

With this background, it is my opinion that, exclusively as a matter of state law, the proposed additions to City Code §152-34 (A) as sub-parts (1) and (2) are authorized and valid.¹

However, the Council should also be aware that the constitutionality of the existing City Code, Ch. 152, Art. IV, as well as the proposed amendments to §152-34 (A), might be challenged under the U.S. Supreme Court case of *Reed v. Town of Gilbert, Ariz.*, 576 U.S. 155 (2015).

In the *Reed* case, the Supreme Court struck down as unconstitutional a municipal ordinance concerning temporary signs on private property.² The sign code prohibited the display of outdoor signs without a permit, but exempted 23 categories of signs, including “ideological signs”, “political signs” and “temporary directional signs”. *Id.* at 155. Because the different categories of signs were regulated based on the speech they displayed (*i.e.* a content-based regulation), the Supreme Court held that the sign code was presumptively unconstitutional and could be justified only if it survived strict scrutiny – in other words, only if the government proved that the sign code “further[ed] a compelling interest and [was] narrowly tailored to achieve that interest. *Id.* at 171. The court assumed for sake of argument, but did not rule, that “compelling interests” could include traffic safety and preserving the town’s aesthetic appeal, *id.*, but concluded that the town could not meet its narrow-tailoring burden, because the sign code’s distinctions were “hopelessly underinclusive”. *Id.*

Lebanon’s current City Code Ch. 152, Art. IV, has some parallels to the sign code in *Reed*. §152-32 is a general prohibition against signs in the public ROW, and §152-34 lists exemptions to the prohibition, three of which are content-based: part (A) allows political advertising; part (G) allows yard sale signs, and part (H) allows residential property sale signs. Meanwhile, other categories of signs/speech are not permitted at all within the ROWs, *e.g.* ideological signs (“Free Tibet!”) and temporary directional signs.³ The two proposed amendments to §152-34(A) sub-parts (1) and (2) are also content-based because, as written, they pertain only to signs displaying political advertising speech.

It bears noting here that the City had a Sign Ordinance Task Force in 2017/2018 to work on improvements to Zoning Ordinance Section 608 (Signs). In its current form, ZO Section 608 avoids references to the content (words) of signs. One example of avoiding the *Reed* problem is in Section 608.6(A)(3), where one additional temporary sign is permitted on private property for the time period not more than 60 days prior to an election – without reference to whether the one extra sign speaks about an election issue or not.

¹ The proposed amendments to City Code §152-34 (F) are valid and authorized non-substantive changes merely having the effect of correcting references to the City’s Zoning Ordinance.

² Although the sign code in *Reed* concerned signs on private property rather than in a public ROW, the First Amendment concern is the same – government regulation of speech (“Congress shall make no law... abridging the freedom of speech”).

³ A September 29, 2017 Valley News article (<https://www.vnews.com/Lebanon-Considers-Sign-Regulations-12795354>) describes the City’s prohibition of the Rotary Club’s Brew Fest signs within the ROW and discusses that the exemption of political signs from the prohibition may be problematic under *Reed*.

Along these lines, the proposed amendment re: prohibition of political advertising signs in the traffic island beautification areas would avoid a *Reed* concern if the prohibition applied to *all* signs rather than only political signs, because the restriction would be content-neutral rather than content-based.

If the Council decides to move forward with the proposed amendments of §152-34 (A) to provide clarity prior to the upcoming March election, we would additionally recommend that the Council undertake some longer-term consideration of additional amendments to Ch. 152, Art. IV to better harmonize this ordinance with the *Reed* ruling.



**LEBANON CITY COUNCIL
NOTICE OF PUBLIC HEARING**
Wednesday, January 4, 2023 - 7:00pm
Council Chambers, City Hall or
REMOTE VIA VIRTUAL PLATFORM
LebanonNH.gov/LIVE

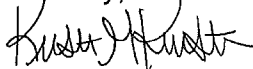
The Lebanon City Council will hold public hearings on January 4, 2023, beginning at 7:00pm for the following:

- A. ORDINANCE 2023-01** – A public hearing for the purpose of receiving public input and taking action to amend City Code Chapter 152, Streets and Sidewalks, Article IV, Non-Public Signs in City Highway Right-of-Way, relative to political signs on public highways
- B. RE-ADOPT VETERANS TAX CREDITS** – A public hearing for the purpose of receiving public input and taking action to re-adopt the Optional Veterans' Tax Credit and the All Veterans' Tax Credit

The January 4, 2023 City Council agenda packet and documents pertaining to the above-described public hearings will be available on the City's website beginning December 30, 2022: LebanonNH.gov/Agendas

Meetings are open for in-person and remote attendance. Members of the public that wish to attend remotely may do so by going to LebanonNH.gov/Live where you will find instructions on how to enter the meeting. Members of the public will be able to participate and ask questions through the City's virtual platform or by phone. Please note: Should technical difficulties occur during the meeting that disrupts virtual or phone connection(s), the meeting will continue without remote access capabilities.

The foregoing notice was published in the *Valley News*, a newspaper of general circulation in the City of Lebanon, in accordance with the Code of the City of Lebanon on Saturday, December 24, 2022



Kristin M. Kenniston, City Clerk

**AGENDA
LEBANON CITY COUNCIL
JANUARY 04, 2023**

8. PUBLIC HEARING ITEMS:

**8.B – RE-ADOPT THE “OPTIONAL VETERANS’ TAX CREDIT” AND
THE “ALL VETERANS’ TAX CREDIT”**

A public hearing for the purpose of receiving public input and taking action to re-adopt the Optional Veterans’ Tax Credit in the amount of \$250 in accordance with NH RSA 72:28 and the All Veterans’ Tax Credit in the amount of \$250 in accordance with NH RSA 72:28-b.

The City Council scheduled this public hearing at its December 7, 2022 regular meeting. The public hearing was properly noticed in the *Valley News* on December 24, 2022 in accordance with City Code and State Law.

BACKGROUND

The Optional Veterans’ Tax Credit and the All Veterans’ Tax Credit are programs made available by the City for Lebanon’s veterans and/or their spouses. The tax credit reduces the total property taxes owed on the veteran’s residential property by the amount of the credit.

The Optional Veterans’ Tax Credit was last amended on October 16, 2019 when the Council voted to increase the amount of the tax credit from \$100 to \$250 in accordance with NH RSA 72:28. At the same meeting, the City Council voted to adopt the All Veterans’ Tax Credit pursuant to NH RSA 72:28-b in the amount of \$250. Veterans and/or their spouses may qualify for either the Optional Veterans’ Tax Credit or the All Veterans’ Tax Credit, but cannot receive both.

In 2022, the New Hampshire Legislature passed, and Governor Sununu signed into law, House Bill 1667 (Chapter 121, Laws of 2022) amending the eligibility criteria for certain veterans’ property tax credits. Effective on July 26, 2022, the bill amended NH RSA 72:28, the “Standard and Optional Veterans’ Tax Credit”, and NH RSA 72:28-b, the “All Veterans’ Tax Credit”, to expand the eligibility requirements of the veterans’ tax credit to include individuals who have not yet been discharged from service in the armed forces.

Under NH RSA 72:27-a, IV, amendments to tax credits and exemptions which require adoption will apply “in a municipality which previously adopted the provision only after the municipality complies with the procedure” specified in NH RSA 72:27-a, II. As a result, the legislation requires the City to re-adopt the Optional Veterans’ Tax Credit and/or the All Veterans’ Tax Credit at the existing amount of \$250, or at a new amount, in order for them to remain in place and include the expanded eligibility effective for the April 1, 2023 tax year. If either the Optional Veterans’ Tax Credit or the All Veterans’ Tax Credit, or both, are not re-adopted by the City, then only the Standard Veterans’ Tax Credit (NH RSA 72:28, I) in the amount of \$50, including the expanded eligibility requirements, will be in place for the April 1, 2023 tax year.

ACTION

If the Council decides to move forward, the following motion is offered for consideration:

MOVED, that the Lebanon City Council hereby re-adopts the Optional Veterans' Tax Credit in the amount of \$250 in accordance with NH RSA 72:28 and the All Veterans' Tax Credit in the amount of \$250 in accordance with NH RSA 72:28-b.

Included in this Section:

1. New Hampshire Department of Revenue Administration, Technical Information Release, Updated TIR 2022-005, dated October 24, 2022
2. NH RSA 72:27-a; RSA 72:28; RSA 72:28-b
3. Notice of Public Hearing as Published in the December 24, 2022 Edition of the *Valley News*

**New Hampshire Department of Revenue Administration
109 Pleasant Street, Concord, NH 03301**

**TECHNICAL INFORMATION RELEASE
UPDATED TIR 2022-005 Date: October 24, 2022**

A Technical Information Release is designed to provide immediate information regarding tax laws administered by the Department or the policy positions of the Department as a service to taxpayers and practitioners. A Technical Information Release represents the position of the Department on the limited issues discussed herein based on current law and Department interpretation. For the current status of any tax law, practitioners and taxpayers should consult the source documents (i.e., Revised Statutes Annotated, Rules, Case Law, Session Laws, etc.).

Statutory Change to Property Tax Credits for Veterans – Readoption Required

The New Hampshire Legislature passed, and Governor Sununu signed into law House Bill 1667 (Chapter 121, Laws of 2022), amending eligibility criteria for certain veterans’ property tax credits. Effective on July 26, 2022, the bill amended RSA 72:28, the “Standard and Optional Veterans’ Tax Credit,” and RSA 72:28-b, the “All Veterans’ Tax Credit,” to expand the eligibility requirements of the veterans’ tax credit to include individuals who have not yet been discharged from service in the armed forces.

Under RSA 72:27-a, IV amendments to tax credits and exemptions which require adoption will only apply “in a municipality which previously adopted the provision only after the municipality complies with the procedure” specified in RSA 72:27-a, II, unless otherwise expressly required by law. Nothing in HB 1667 created an exception to this readoption requirement.

As a result of the passage of HB 1667, municipalities should consider the following:

- For municipalities with the Standard Veteran’s Tax Credit:
 - No readoption is required, the expanded eligibility will apply to the Standard Veterans’ Tax Credit for the April 1, 2023 tax year.
 - Municipalities can adopt the Optional Veterans’ Tax Credit under RSA 72:28, II and/or the All Veterans’ Tax Credit under RSA 72:28-b with the expanded eligibility for the April 1, 2023 tax year.
- For municipalities with an Optional Veterans’ Tax Credit under RSA 72:28, II:
 - The existing Optional Veteran’s Tax Credit will remain in place for the April 1, 2022 tax year.
 - The Optional Veteran’s Tax Credit, at the existing amount or at a new amount, must be *readopted* pursuant to RSA 72:27-a to remain in place and include the expanded eligibility effective for the April 1, 2023 tax year.

- If the Optional Veteran's Tax Credit is not readopted, the Standard Veterans' Tax Credit will be in place for the April 1, 2023 tax year, which will include the expanded eligibility requirements.
- For municipalities with the All Veterans' Tax Credit under RSA 72:28-b:
 - The existing All Veterans' Tax Credit will remain in place for the April 1, 2022 tax year.
 - The All Veterans' Tax Credit, at the existing amount or at a new amount, must be *readopted* pursuant to RSA 72:27-a to remain in place and include the expanded eligibility effective April 1, 2023 tax year.
 - If the All Veterans' Tax Credit is not readopted, the Standard Veterans' Tax Credit will be in place for the April 1, 2023 tax year, which will include the expanded eligibility requirements.

The Department will examine warrant article submissions to ensure that communities which have previously adopted these credits are aware that they must be readopted to remain in effect. Additionally, and in accordance with our usual practice, before approving a municipality's veterans' tax credit totals reported on the "Summary Inventory of Valuation" (MS-1) the Department will determine that a legislative body vote to readopt these credits has occurred.

Additional information can be obtained by referencing RSAs 72:27-a, 72:28, 72:28-b, and 21:50. Questions may be directed to the Department of Revenue Administration's Municipal Bureau at (603) 230-5090.

TITLE V TAXATION

Chapter 72 PERSONS AND PROPERTY LIABLE TO TAXATION

Section 72:27-a

72:27-a Procedure for Adoption, Modification, or Rescission. –

I. Any town or city may adopt the provisions of RSA 72:28, RSA 72:28-b, RSA 72:29-a, RSA 72:35, RSA 72:37, RSA 72:37-b, RSA 72:38-b, RSA 72:39-a, RSA 72:62, RSA 72:66, RSA 72:70, RSA 72:76, RSA 72:82, RSA 72:85, or RSA 72:87, in the following manner:

(a) In a town, other than a town that has adopted a charter pursuant to RSA 49-D, the question shall be placed on the warrant of a special or annual town meeting, by the governing body or by petition pursuant to RSA 39:3.

(b) In a city or town that has adopted a charter pursuant to RSA 49-C or RSA 49-D, the legislative body may consider and act upon the question in accordance with its normal procedures for passage of resolutions, ordinances, and other legislation. In the alternative, the legislative body of such municipality may vote to place the question on the official ballot for any regular municipal election.

II. The vote shall specify the provisions of the property tax exemption or credit, the amount of such exemption or credit, and the manner of its determination, as listed in paragraph I. If a majority of those voting on the question vote " yes, " the exemption or credit shall take effect within the town or city, on the date set by the governing body, or in the tax year beginning April 1 following its adoption, whichever shall occur first.

III. A municipality may modify, if applicable, or rescind the exemption or credits provided in paragraph I in the manner described in this section.

IV. An amendment to a statutory provision listed in paragraph I related to an exemption or credit amount or to the eligibility or application of an exemption or credit, shall apply in a municipality which previously adopted the provision only after the municipality complies with the procedure in this section, unless otherwise expressly required by law.

Source. 2003, 299:1; 299:23. 2004, 170:3. 2008, 224:3, eff. July 1, 2008. 2016, 217:2, eff. Aug. 8, 2016. 2017, 179:1, eff. Aug. 28, 2017. 2019, 327:3, eff. Oct. 15, 2019. 2021, 200:2, Pt. II, Sec. 1, eff. Oct. 9, 2021.

Section 72:28

72:28 Standard and Optional Veterans' Tax Credit. –

I. The standard veterans' tax credit shall be \$50.

II. The optional veterans' tax credit, upon adoption by a city or town pursuant to RSA 72:27-a, shall be an amount from \$51 up to \$750. The optional veterans' tax credit shall replace the standard veterans' tax credit in its entirety and shall not be in addition thereto.

III. Either the standard veterans' tax credit or the optional veterans' tax credit shall be subtracted each year from the property tax on the veteran's residential property. However, the surviving

spouse of a resident who suffered a service-connected death may have the amount subtracted from the property tax on any real property in the same municipality where the surviving spouse is a resident.

IV. The following persons shall qualify for the standard veterans' tax credit or the optional veterans' tax credit:

- (a) Every resident of this state who is a veteran, as defined in RSA 21:50, and served not less than 90 days on active service in the armed forces of the United States in any qualifying war or armed conflict listed in this section, and continues to serve or was honorably discharged or an officer who continues to serve or was honorably separated from service; or the spouse or surviving spouse of such resident, provided that training for active duty by a member of the national guard or reserve shall be included as service under this subparagraph;
- (b) Every resident of this state who was terminated from the armed forces because of service-connected disability; or the surviving spouse of such resident; and
- (c) The surviving spouse of any resident who suffered a service-connected death.

V. Service in a qualifying war or armed conflict shall be as follows:

- (a) "World War I" between April 6, 1917 and November 11, 1918, extended to April 1, 1920 for service in Russia; provided that military or naval service on or after November 12, 1918 and before July 2, 1921, where there was prior service between April 6, 1917 and November 11, 1918 shall be considered as World War I service;
- (b) "World War II" between December 7, 1941 and December 31, 1946;
- (c) "Korean Conflict" between June 25, 1950 and January 31, 1955;
- (d) "Vietnam Conflict" between December 22, 1961 and May 7, 1975;
- (e) "Vietnam Conflict" between July 1, 1958 and December 22, 1961, if the resident earned the Vietnam service medal or the armed forces expeditionary medal;
- (f) "Persian Gulf War" between August 2, 1990 and the date thereafter prescribed by Presidential proclamation or by law; and
- (g) Any other war or armed conflict that has occurred since May 8, 1975, and in which the resident earned an armed forces expeditionary medal or theater of operations service medal.

Source. 1871, 13:1. GL 54:2. PS 56:4. 1907, 95:1. 1919, 54:1. 1921, 12:3; 103:1. 1923, 68:2. PL 60:26. 1941, 157:1. RL 73:29. 1943, 174:1. 1944, 4:1. 1947, 240:1, par. 29. 1949, 167:1. 1951, 132:1. RSA 72:28. 1955, 289:1. 1963, 49:1; 118:1; 324:1. 1967, 35:1, 2; 219:1, 2. 1971, 303:1. 1975, 282:1. 1976, 42:1, 2. 1977, 61:1. 1979, 288:2. 1981, 215:1. 1989, 64:1; 270:1. 1991, 70:3-6. 1992, 70:3. 1993, 73:3, 10; 262:1. 2003, 299:2. 2005, 126:1, eff. April 1, 2006. 2013, 254:2, eff. July 24, 2013. 2016, 217:9, eff. Aug. 8, 2016. 2018, 148:1, eff. Apr. 1, 2018. 2022, 121:1, eff. July 26, 2022.

Section 72:28-a

72:28-a Repealed by 2003, 299:29, I, eff. April 1, 2003. –

Section 72:28-b

72:28-b All Veterans' Tax Credit. –

I. A town or city may adopt or rescind the all veterans' property tax credit granted under this section by the procedure in RSA 72:27-a.

II. The credit granted under this section shall be the same as the amount of the standard or optional veterans' tax credit in effect in the town or city under RSA 72:28. A town or city with an existing standard or optional veterans' tax credit under RSA 72:28 prior to August 18, 2016, adopting the credit under this section, may phase in the amount of the all veterans' tax credit over a 3-year period to match the standard or optional veterans' tax credit.

III. The all veterans' tax credit shall be subtracted each year from the property tax on the veteran's residential property.

IV. A person shall qualify for the all veterans' tax credit if the person is a resident of this state who is a veteran, as defined in RSA 21:50, and served not less than 90 days on active service in the armed forces of the United States and continues to serve or was honorably discharged or an officer who continues to serve or was honorably separated from service; or the spouse or surviving spouse of such resident, provided that training for active duty or state active duty by a member of the national guard or reserve shall be included as service under this paragraph; provided however that the person is not eligible for and is not receiving a credit under RSA 72:28 or RSA 72:35.

Source. 2016, 217:1, eff. Aug. 8, 2016. 2017, 109:1, eff. June 8, 2017. 2022, 121:2, eff. July 26, 2022.



**LEBANON CITY COUNCIL
NOTICE OF PUBLIC HEARING**
Wednesday, January 4, 2023 - 7:00pm
Council Chambers, City Hall or
REMOTE VIA VIRTUAL PLATFORM
LebanonNH.gov/LIVE

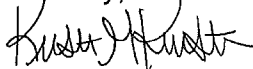
The Lebanon City Council will hold public hearings on January 4, 2023, beginning at 7:00pm for the following:

- A. ORDINANCE 2023-01** – A public hearing for the purpose of receiving public input and taking action to amend City Code Chapter 152, Streets and Sidewalks, Article IV, Non-Public Signs in City Highway Right-of-Way, relative to political signs on public highways
- B. RE-ADOPT VETERANS TAX CREDITS** – A public hearing for the purpose of receiving public input and taking action to re-adopt the Optional Veterans' Tax Credit and the All Veterans' Tax Credit

The January 4, 2023 City Council agenda packet and documents pertaining to the above-described public hearings will be available on the City's website beginning December 30, 2022: LebanonNH.gov/Agendas

Meetings are open for in-person and remote attendance. Members of the public that wish to attend remotely may do so by going to LebanonNH.gov/Live where you will find instructions on how to enter the meeting. Members of the public will be able to participate and ask questions through the City's virtual platform or by phone. Please note: Should technical difficulties occur during the meeting that disrupts virtual or phone connection(s), the meeting will continue without remote access capabilities.

The foregoing notice was published in the *Valley News*, a newspaper of general circulation in the City of Lebanon, in accordance with the Code of the City of Lebanon on Saturday, December 24, 2022



Kristin M. Kenniston, City Clerk

**AGENDA
LEBANON CITY COUNCIL
JANUARY 04, 2023**

10. NEW BUSINESS:

10.A – DISCUSSION AND ADOPTION OF 2023 ANNUAL CALENDAR

BACKGROUND

To better organize the Council's annual events, a calendar has been drafted for review and consideration. Thus far, dates include City holidays, regular Council meetings, municipal election information, proposed dates for the annual work sessions (unconfirmed), a general budget work schedule (in-house), and proposed Council budget work session dates (5 reserved dates in November – subject to change). If the proposed meeting schedule is acceptable, the Council is asked to take action to adopt the calendar as presented. If changes/additions are desired, the Council is encouraged to suggest alterations for consideration by the body.

ACTION

If the proposed meeting schedule is acceptable, the Council is requested to consider the following motion:

MOVED, that the Lebanon City Council hereby adopts the Annual Calendar as proposed in the January 4, 2023 agenda packet.

Included in this Section:

1. Proposed 2023 Annual Calendar

January 2023

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2 HOLIDAY	3	4 REGULAR MEETING	5	6	7
8	9	10	11	12	13	14
15	16 HOLIDAY	17	18 REGULAR MEETING	19	20	21
22	23	24	25	26	27	28
29	30	31				

February 2023

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29	30	31	1 REGULAR MEETING	2	3	4
5	6	7	8	9	10	11
12	13	14	15 REGULAR MEETING	16	17	18
19	20 HOLIDAY	21	22	23	24	25
26	27	28				

March 2023

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26	27	28	1 REGULAR MEETING	2	3	4
5	6	7	8	9	10	11
12	13	14 2023 MUNICIPAL ELECTION	15 REGULAR MEETING	16 CANVASS OF THE VOTE	17	18
19	20	21	22	23	24	25
26	27	28	29 ORGANIZATIONAL MEETING - NEW COUNCIL SEATED	30	31	1

April 2023

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26	27	28	29	30	31	1
2	3	4	5 REGULAR MEETING	6	7	8
9	10	11	12	13	14	15
16	17	18	19 REGULAR MEETING	20	21	22
23	24	25 ANNUAL WORK SESSION	26	27 ANNUAL WORK SESSION	28	29
30	1					

May 2023

(Departments given
instructions for 2024 Budget
Process)

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30	1	2	3 REGULAR MEETING	4	5	6
7	8	9	10 ANNUAL WORK SESSION	11	12	13
14	15	16	17 REGULAR MEETING	18	19	20
21	22	23	24	25	26	27
28	29 HOLIDAY	30	31	1	2	3

June 2023

(Departments working on 2024
Budget)

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
28	29	30	31	1	2	3
4	5	6	7 REGULAR MEETING	8	9	10
11	12	13	14	15	16	17
18	19	20	21 REGULAR MEETING	22	23	24
25	26	27	28	29	30	1

July 2023

(Departments finalize and submit 2024 Budget to the Finance Department)

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
25	26	27	28	29	30	1
2	3	4 HOLIDAY	5 REGULAR MEETING	6	7	8
9	10	11	12	13	14	15
16	17	18	19 REGULAR MEETING	20	21	22
23	24	25	26	27	28	29
30	31					

August 2023

(Budget Review Meetings
between Department Heads and
the Finance Department)

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30	31	1	2 REGULAR MEETING	3	4	5
6	7	8	9	10	11	12
13	14	15	16 REGULAR MEETING	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31	1	2

September 2023

(Budget Review Meetings
between the City Manager
and Department Heads)

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
27	28	29	30	31	1	2
3	4 HOLIDAY	5	6 REGULAR MEETING	7	8	9
10	11	12	13	14	15	16
17	18	19	20 REGULAR MEETING	21	22	23
24	25	26	27	28	29	30

October 2023

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4 REGULAR MEETING	5	6	7
8	9	10	11	12	13	14
15	16	17	18 CIP WORK SESSION/ REGULAR MEETING	19	20	21
22	23	24	25	26	27 PROPOSED 2024 BUDGET TO COUNCIL	28
29	30	31	1	2	3	4

November 2023

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29	30	31	1 REGULAR MEETING	2	3	4
5	6	7 BUDGET WORK SESSION	8 BUDGET WORK SESSION	9	10 HOLIDAY	11
12	13	14 BUDGET WORK SESSION	15 REGULAR MEETING	16 BUDGET WORK SESSION	17	18
19	20	21	22	23 HOLIDAY	24 HOLIDAY	25
26	27	28 BUDGET WORK SESSION	29 BUDGET WORK SESSION	30	1	2

December 2023

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26	27	28	29	30	1	2
3	4	5	6 REGULAR MEETING	7	8	9
10	11	12	13 BUDGET PUBLIC HEARING	14	15	16
17	18	19	20	21	22 HOLIDAY	23
24	25 HOLIDAY	26	27	28	29	30
31	1					

**AGENDA
LEBANON CITY COUNCIL
JANUARY 04, 2023**

10. NEW BUSINESS:

**10.B – APPOINTMENT OF 2023 CHAIR AND VICE CHAIR
FOR THE ECONOMIC DEVELOPMENT COMMISSION (EDC)**

BACKGROUND

On July 10, 2019, the City Council approved Ordinance #2019-12 to amend Chapter 31, Boards, Committees, and Commissions, of the City Code to establish the Economic Development Commission (EDC).

According to §31-46, Establishment; Membership; Qualifications, the City Council shall annually in December of each year appoint a Chairperson and a Vice-Chairperson from the nine members of the Economic Development Commission to serve the following calendar year.

ACTION

MOVED, that _<William Dunn>_ be appointed as Chair of the Economic Development Commission for calendar year 2023.

BE IT FURTHER MOVED, that _____ be appointed as Vice-Chair of the Economic Development Commission for calendar year 2023.

Included in this Section:

1. EDC Member Roster

City of Lebanon
Economic Development Council - EDC

City Council Representatives

Councilor Karen Liot Hill, Vice Chair

Email karen.liothill@lebanonnh.gov

Councilor Doug Whittlesey

Email doug.whittlesey@lebanonnh.gov

Representatives

Bill Dunn, Chair (1/24)

Mascoma Bank

67 North Park Street

Lebanon, NH 03766

Ph 603-443-8635

Email william.dunn@mascomabank.com

Chip Brown (3/24)

44 S Main Street, #10

Hanover, NH 03755

Ph 603-652-1499

Email chip@brownncr.com

Dan Nash (3/23)

387 Poverty Lane

Lebanon, NH 03766

Ph 603-448-6295

Cell 802-356-4928

Email advancedgeomatics@comast.net

David Newlove (2/23)

10 Westview Lane

Lebanon, NH 03766

Ph 603-448-5326

Work 603-646-2278

Email david.j.newlove@dartmouth.edu

VACANT

Kevin Purcell (4/24)

56 Oak Ridge Rad

West Lebanon, H 03784

Email kevin@purcellprop.com

Tracy Hutchins, Non-Voting Member

Upper Valley Business Alliance

2 S. Park Street

Lebanon, NH 03766

Ph 603-448-1203

Email

tracy@uppervalleybusinessalliance.com

Shaun Mulholland, City Manager

City of Lebanon

51 North Park Street

Lebanon, NH 03766

603-448-4220

Email shaun.mulholland@lebanonnh.gov

Shelley Hadfield

Email shelley.hadfield@lebanonnh.gov

Staff Support

David Brooks, Deputy City Manager

Beth Beraldi, Executive Assistant

Updated: 09/12/2022

Andrew Key (4/24)

255 Dartmouth College Highway

Lebanon, NH 03766

Ph 603-448-3060

Email andydana.key@gmail.com

**AGENDA
LEBANON CITY COUNCIL
JANUARY 04, 2023**

10. NEW BUSINESS:

**10.D – LEBANON COMMUNITY POWER – COMMUNITY POWER COALITION OF
NEW HAMPSHIRE (CPCNH) COST SHARING AGREEMENT AND
RELATED POLICIES**

BACKGROUND

Assistant Mayor Below is requesting the Council's consideration of information and adoption of agreements with the Community Power Coalition of New Hampshire (CPCNH) as a follow-up step to the Electric Aggregation Plan (EAP) for Lebanon Community Power (LCP) adopted by the Council on September 15, 2021 and amended on June 15, 2022. These policies and agreements need to be approved by the City Council before LCP can begin energy procurement for a launch of services in April or May of this year. There are also a few proposed amendments to LCP's EAP to conform it with the adopted policies and the Cost Sharing Agreement.

Assistant Mayor Below will present the information and answer questions.

ACTION

MOVED, that the Lebanon City Council hereby authorizes the City Manager to enter into the Cost Sharing Agreement and Member Services Contract for the Complete Service Bundle with the Community Power Coalition of New Hampshire (CPCNH) with _____ as the Authorized Officer and with elections on p. 19 of the Agreement being "Yes"; and

BE IT FURTHER MOVED, that the City of Lebanon hereby 1) approves the CPCNH's Data Security and Privacy, Energy Portfolio Risk Management, Rates, and Financial Reserves Policies; and 2) approves the amendments to the Electric Aggregation Plan for Lebanon Community Power as presented in tonight's agenda packet.

Included in this Section:

1. Overview for CPCNH Wave 1 Governing Bodies, Dated December 28, 2022
2. Guide to CPCNH Policy Documents, Dated December 28, 2022
3. Guide to CPCNH Cost Sharing Agreement, Dated December 28, 2022
4. CPCNH Board Policy, Data Security and Privacy (Policy No. CPCNH-2022-04), effective December 15, 2022
5. Energy Portfolio Risk Management, Retail Rates, and Financial Reserves Policies, adopted by CPCNH on December 19, 2022
6. CPCNH Cost Sharing Agreement, adopted by CPCNH Board on December 27, 2022
7. Proposed Amendments to Lebanon's Electric Aggregation Plan dated December 28, 2022

Overview for CPCNH Wave 1 Governing Bodies

December 28, 2022

FOR COMMUNITIES, BY COMMUNITIES.



**COMMUNITY
POWER COALITION**
OF NEW HAMPSHIRE



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1 | Roadmap

Actions to Date
Actions to Launch
Overview of Cost Sharing Agreement + Services Contract & Key Policies

2 | Technical Assessment & Business Plan

Customer Savings + Reserve Accrual
Wave 1 Member Benefits
Members, Customers & Growth Forecasts
Staffing Plan
Local Projects
Comparison and Analysis: Broker vs. Coalition value proposition

3 | Coalition Governance & Professional Services

Risk, Rates, Reserves Policies
Data Security and Privacy Policy

2

2

1 | Roadmap

Actions to Date

Actions for Launch

**Cost Sharing Agreement, Member
Services Contract & Key Policies**



**COMMUNITY
POWER COALITION
OF NEW HAMPSHIRE**
For communities, by communities.



3

Actions to Date

- ✓ Appointed Electric Aggregation Committee
- ✓ Adopted Joint Powers Agreement
- ✓ Appointed CPCNH Director & Alternate to serve on Member Board
- ✓ Developed & adopted Electric Aggregation Plan (EAP) w/ public input
- ✓ Received Public Utilities Commission approval of EAP

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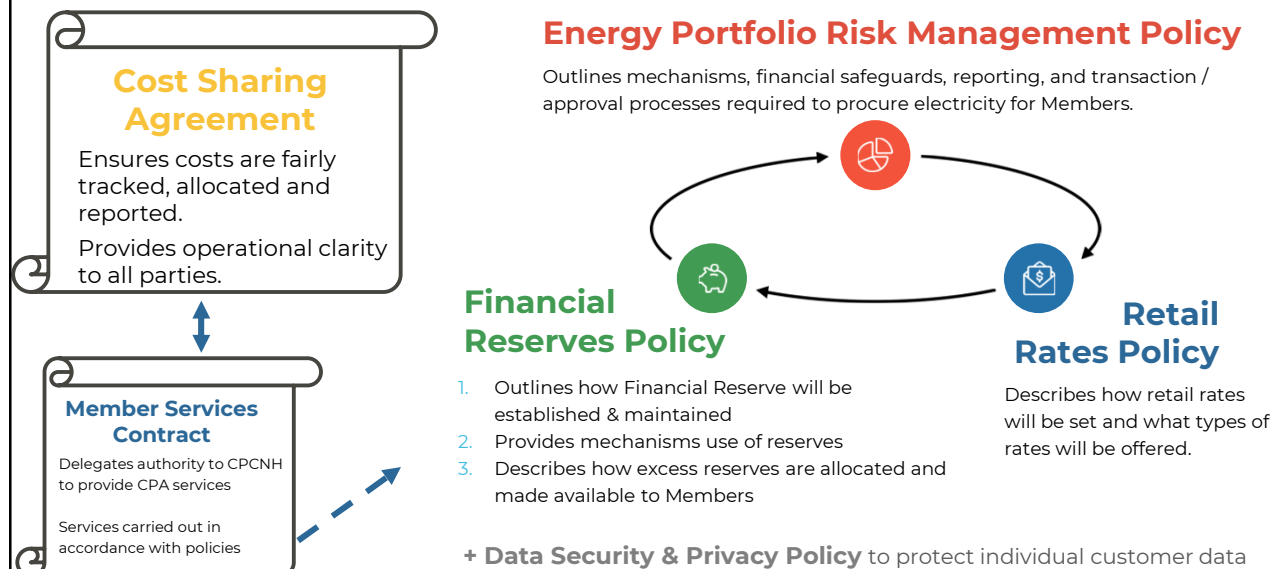
Action Plan for Launch!

- ❑ CPCNH-supported public engagement campaigns throughout process
- ❑ Member requests/shares data: 1) aggregate; 2) anonymized; 3) names, addresses, account #s
- ❑ Governing Body
 - ❑ Approves final Electric Aggregation Plan updates required for launch
 - ❑ Adopts Data Security, Risk Mgmt., Rates, & Reserves policies
 - ❑ Adopts (and signatory executes) Cost Sharing Agreement and "Complete Service Bundle" contract
 - ❑ Designates "Authorized Officer" for "go/no-go" 2/1/23 decision and default product selection
- ❑ 2/1/23 CPCNH Risk Management Committee (RMC) meeting on market/rate forecast
 - ❑ Wave 1 Members verbal "Go / No-Go" decision to participate in launch and initial power procurement
 - ❑ Committee votes to authorize power procurement (Yes or No)
- ❑ CPCNH procures power (all at once, or, over a period of time, depending on market)
 - ❑ RMC and Finance Committee deliberate rates w/ public input resulting in recommendation to Board
 - ❑ Member Governing Body or "Authorized Officer" selects default and optional rate products
- ❑ 2/16/23 CPCNH Board reviews and approves rates
 - ❑ CPCNH notifies utilities, mails customer notifications, prepares enrollment and opt-ins/outs
 - ❑ Member holds public hearing within 15 days of mailers being sent (CPCNH supports)
- ❑ **Target launch:** April/May 2023

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Cost Sharing Agreement, Services Contact & Policies



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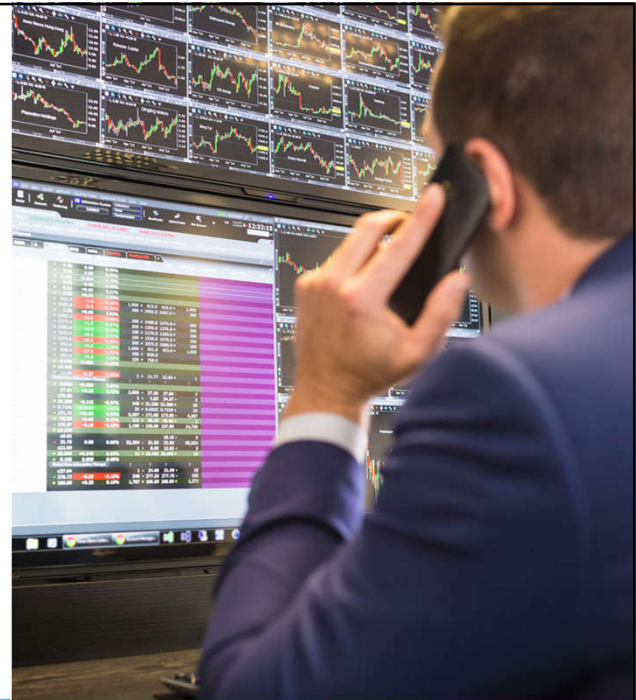
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2 | Technical Assessment & Financial Forecast

Customer Savings + Reserve Accrual
Wave 1 Member benefits
Members, Customers, Growth Forecasts
Staffing Plan, Local Projects
Broker vs. Coalition Model



**COMMUNITY
POWER COALITION
OF NEW HAMPSHIRE**
For communities, by communities.



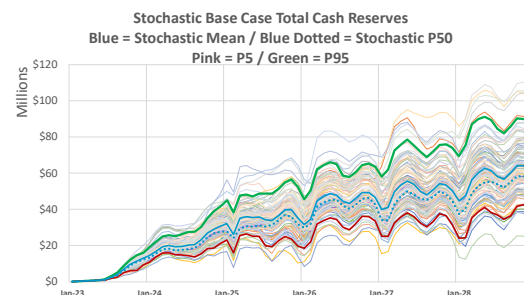
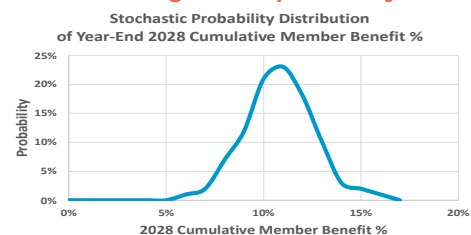
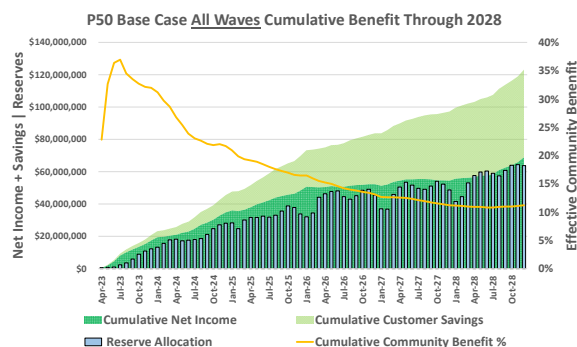
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Technical Assessment: Base Case Findings

Median expected outcome by 2028:

- ✓ ~\$60MM in customer savings +
- ✓ ~\$60MM+ in financial reserves
- ✓ Av. Net benefit = 10%+ lower costs relative to utility default service
(Max / min = ~5% to ~17%)

100+ simulations run to generate probability forecasts:



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Stress-Tests & Scenario Results

Scenarios tested:

Wave 1 Member load?

- Nashua launch date?
- Nashua opts-out?

New Member forecasts?

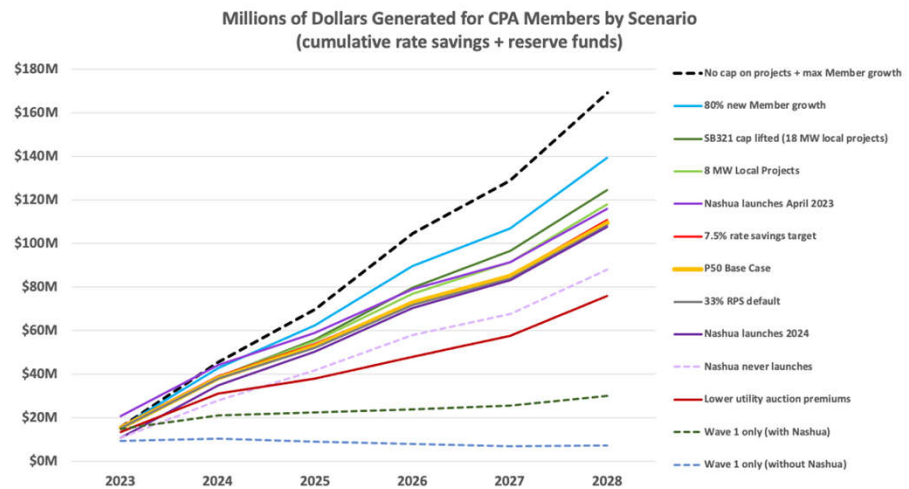
Higher default RE?

Lower utility rates?

Local Projects?

Key takeaways:

1. Financially stable
2. Viable w/o Nashua
2. Prioritize new Members
3. Prioritize local projects



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Breakout: Wave 1 Member Benefits

Member Services Contract term:

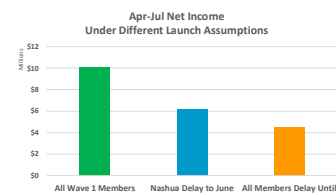
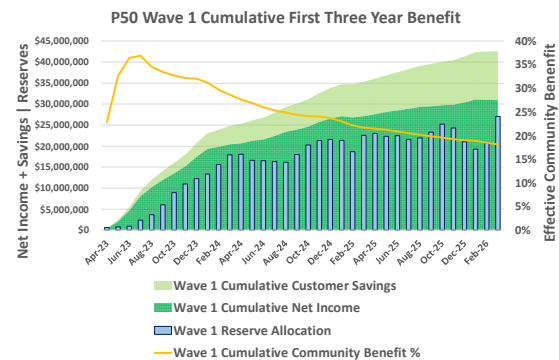
- ✓ Wave 1 commits for 36 months
- ✓ CPCNH provides full services

Forecasted benefits:

- ✓ \$10M in customer savings
- ✓ \$25-30M in financial reserves
- ✓ Net benefit = 19% lower costs relative to utility default service

Key takeaways:

- ✓ Utility auction premiums are at a historic high for Wave 1
- ✓ There has never been a better time to launch than in April 2023
- ✓ Delaying launch foregoes significant benefits

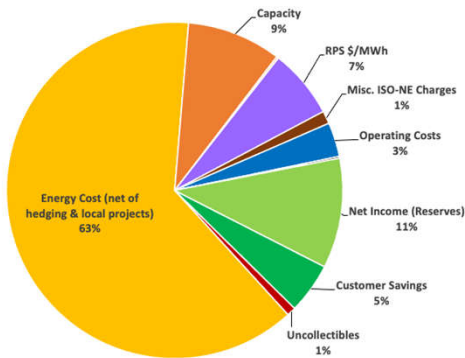


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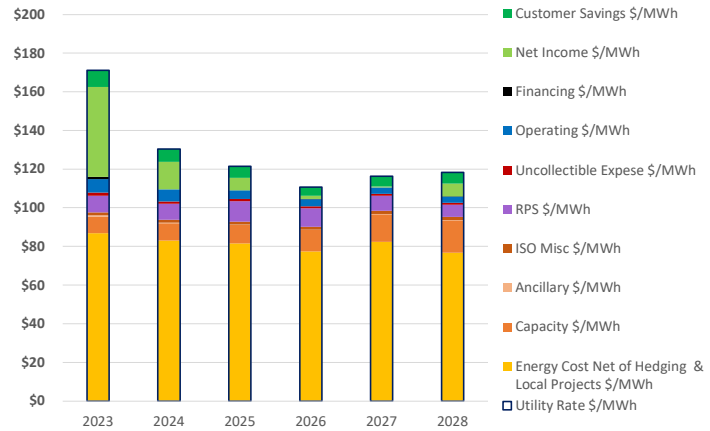
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Headroom & Revenue Allocation Forecast

Revenue Allocation
(2023-2028 average)



P50 Base Case CPCNH Annual Headroom Projection [\$ /MWh]

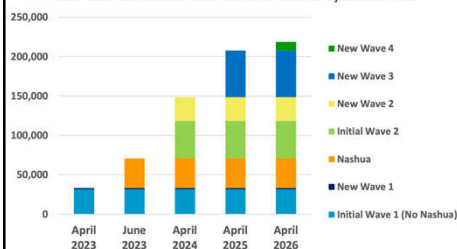


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Membership: Customers, load & growth Scenarios

Base Case Cumulative Total Customer Counts by Launch Date

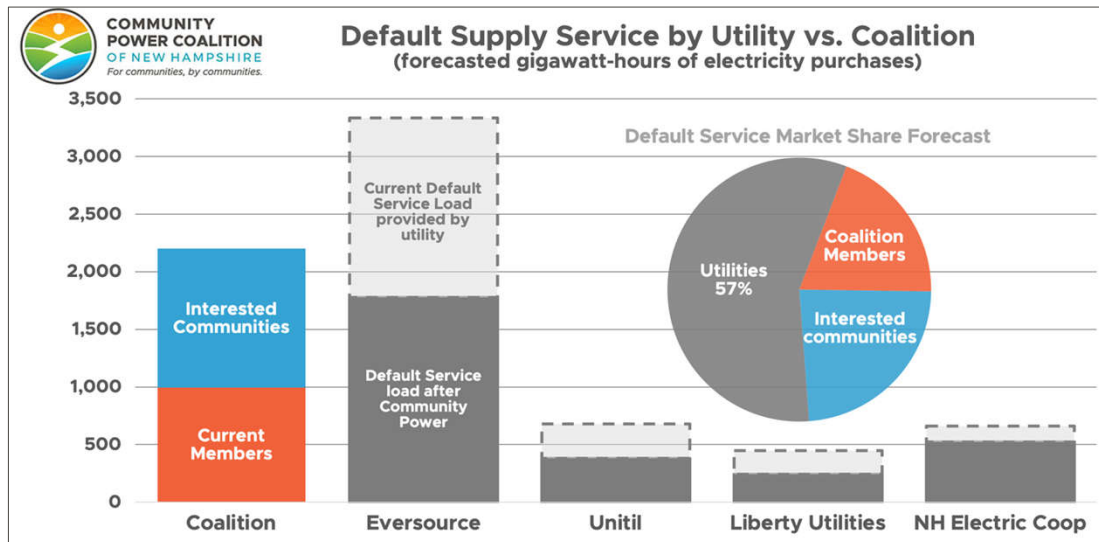


		Community	TOTAL		Eversource		Liberty		NHEC		Unitil		
			Res	Non-Res	Res	Non-Res	Res	Non-Res	Res	Non-Res	Res	Non-Res	
Launch April 2023	Initial Wave 1 Members	Cheshire	0	10	0	10	0	0	0	0	0	0	0
		Durham	3,171	450	2,854	405	0	0	317	45	0	0	0
		Enfield	2,418	335	16	2	2,257	315	145	18	0	0	0
		Exeter	6,500	1,702	5,850	1,531	0	0	0	0	650	171	0
		Hanover	2,791	434	96	20	2,599	394	96	20	0	0	0
		Harrisville	658	92	658	92	0	0	0	0	0	0	0
		Lebanon	6,548	1,326	0	0	6,548	1,326	0	0	0	0	0
		Nashua	32,558	4,969	32,558	4,969	0	0	0	0	0	0	0
		Plainfield	792	150	286	48	289	66	217	36	0	0	0
		Rye	2,802	502	2,802	502	0	0	0	0	0	0	0
	Walpole	1,667	270	0	0	1,667	270	0	0	0	0	0	
	New Wave 1	Peterborough	2,378	632	2,378	632	0	0	0	0	0	0	0
Wave 1 Total		62,282	10,871	47,498	8,211	13,359	2,370	775	119	650	171	0	
		Community	Res	Non-Res	Res	Non-Res	Res	Non-Res	Res	Non-Res	Res	Non-Res	
Launch April 2024	Initial Wave 2 Members	Dover	13,934	2,015	13,934	2,015	0	0	0	0	0	0	0
		Hudson	9,128	1,774	9,128	1,774	0	0	0	0	0	0	0
		New London	2,380	455	2,380	455	0	0	0	0	0	0	0
		Newmarket	4,020	381	4,020	381	0	0	0	0	0	0	0
		Pembroke	2,860	401	2,574	361	0	0	0	0	286	40	0
		Portsmouth	7,320	1,152	7,320	1,152	0	0	0	0	0	0	0
		Warner	1,546	300	1,546	300	0	0	0	0	0	0	0
	New Wave 2	Webster	900	92	450	46	0	0	0	0	450	46	0
		Canterbury	931	85	409	40	0	0	5	0	517	45	0
		Hancock	641	171	641	171	0	0	0	0	0	0	0
		Sugar Hill	212	49	134	36	0	0	78	13	0	0	0
		Westmoreland	632	168	632	168	0	0	0	0	0	0	0
Wilmot	538	122	339	90	0	0	199	32	0	0	0		
Wave 2 Total		45,042	7,165	43,507	6,989	0	0	282	45	1,253	131	0	
Launch	Additional Prospective Communities	Res	Non-Res	Res	Non-Res	Res	Non-Res	Res	Non-Res	Res	Non-Res		
April 2024	New Wave 2 Growth	48,408	18,786	20,606	14,356	2,860	508	9,957	1,546	14,985	2,376		
April 2025	New Wave 3 Growth	97,463	24,507	84,627	22,410	3,799	675	3,084	478	5,953	944		
April 2026	New Wave 4 Growth	22,910	5,115	13,672	3,621	2,423	430	5,141	798	1,674	266		

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CPCNH Growth Forecast vs. Utilities



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CPCNH Draft Staffing Plan

- ✓ CEO search and interview process underway (TrueSearch); anticipating March 2023 start date.
- ✓ Hiring plan subject to change once CEO finalizes staffing priorities
- ✓ Cost model assumes salaries / start dates shown (+~30% adder for benefits, etc.)
- ✓ Assumed core team of 7 staff (2023) → 11 staff (2025)
- ✓ Economics support more staff if necessary

POSITION	SALARY (est. 2023 \$)	HIRING DATE
Chief Executive Officer	\$325,000	Q1 2023
Chief Financial Officer	\$250,000	Q2 2023
General Counsel	\$300,000	Q3 2023
Director of Marketing & Customer Services	\$200,000	Q3 2023
Director of Policy & Regulatory Affairs	\$200,000	Q3 2023
Strategic Accounts Manager	\$150,000	Q2 2023
Analyst (#1)	80,000	Q3 2023
Power Resources Manager	\$150,000	Q2 2025
Director of Technology & Analytics	\$225,000	Q3 2025
Analyst (#2)	\$80,000	Q3 2025
Analyst (#3)	\$80,000	Q3 2025

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Local Project Forecast

- ✓ Projects developed under SB 321 market-based framework (compensates CPCNH for full project value: energy, capacity & transmission reductions)
- ✓ Base Case assumes 2 MW
- ✓ **Results: local projects increase net revenues by ~\$350,000 to \$515,000 / yr**
- ✓ Further development of projects will result in millions of dollars in annual savings
- ✓ CPCNH will empower Members / Legislative to lift 8 MW cap & develop local energy markets!

Figure 33: Base Case Local Projects

Month	2023	2024	2025	2026	2027	2028
Local Projects Revenue (Cost Reduction) (\$/MWh)	\$0.22	\$0.31	\$0.27	\$0.23	\$0.26	\$0.25
Market Energy Value	\$0.69	\$0.61	\$0.34	\$0.28	\$0.30	\$0.29
Renewable Energy Credit Value	\$0.27	\$0.22	\$0.19	\$0.15	\$0.12	\$0.10
Capacity Credit Value	\$0.00	\$0.02	\$0.03	\$0.04	\$0.05	\$0.06
Transmission Credit Value	\$0.19	\$0.25	\$0.23	\$0.23	\$0.24	\$0.27
PPA Cost	\$0.94	\$0.79	\$0.52	\$0.47	\$0.45	\$0.47
Local Projects Revenue (Cost Reduction)	\$84,623	\$352,946	\$474,806	\$455,621	\$515,615	\$483,448
Market Energy Value	\$264,618	\$687,343	\$598,160	\$553,691	\$595,280	\$559,549
Renewable Energy Credit Value	\$104,483	\$247,127	\$331,566	\$295,205	\$244,247	\$194,443
Capacity Credit Value	\$0	\$19,825	\$54,610	\$80,054	\$103,694	\$121,669
Transmission Credit Value	\$73,750	\$286,740	\$412,906	\$445,938	\$481,613	\$520,142
PPA Cost	\$358,229	\$888,090	\$922,435	\$919,266	\$909,219	\$912,355

Figure 34: 8 MW Scenario Local Projects

Month	2023	2024	2025	2026	2027	2028
Local Projects Revenue (Cost Reduction) (\$/MWh)	\$0.22	\$0.94	\$1.26	\$1.21	\$1.34	\$1.42
Market Energy Value	\$0.69	\$0.80	\$0.63	\$0.53	\$0.56	\$0.55
Renewable Energy Credit Value	\$0.27	\$0.30	\$0.34	\$0.26	\$0.21	\$0.18
Capacity Credit Value	\$0.00	\$0.02	\$0.10	\$0.16	\$0.21	\$0.25
Transmission Credit Value	\$0.19	\$0.76	\$0.94	\$0.91	\$0.96	\$1.07
PPA Cost	\$0.94	\$0.94	\$0.74	\$0.66	\$0.61	\$0.63
Local Projects Revenue (Cost Reduction)	\$84,623	\$1,056,271	\$2,224,554	\$2,379,095	\$2,680,109	\$2,758,333
Market Energy Value	\$264,618	\$895,273	\$1,116,544	\$1,047,641	\$1,129,771	\$1,074,955
Renewable Energy Credit Value	\$104,483	\$338,562	\$594,512	\$519,389	\$430,684	\$343,598
Capacity Credit Value	\$0	\$19,825	\$175,959	\$320,217	\$414,774	\$486,675
Transmission Credit Value	\$73,750	\$860,220	\$1,651,622	\$1,783,752	\$1,926,452	\$2,080,569
PPA Cost	\$358,229	\$1,057,609	\$1,314,084	\$1,291,904	\$1,221,574	\$1,227,462

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Coalition Model vs. Broker Model

Coalition Model

- ✓ Transparent, locally accountable **governance**
- ✓ Non-profit, Member-controlled **reserve fund** accrual + investment opportunities
- ✓ Active **portfolio management** to manage costs
- ✓ Ability to adjust rates to maintain discount / stability
- ✓ Proven model to develop **local projects**
- ✓ Economics + political **scale** = lower costs & leadership on policy reform
- ✓ **Demystifies** power sector for informed decision-making & innovation over time

Broker Model

- ✓ Simplifies approach
- ✓ Outsources program to broker/supplier team
- ✓ Governance + oversight largely limited to broker/supplier selection & contract approval
- ✓ Foregoes diversified portfolio (added risk of single supplier contract for fixed term & price)
- ✓ No ability to adjust rates
- ✓ No demonstrated success in developing new generation + storage projects

Recent trade press articles on the risks and large-scale failures of Broker Model CPAs:

1. [CCA Administrator Alleges ESCO's Action Put The Credibility Of New York's Opt- Out Aggregation Program At Risk \(April 2022\)](https://bit.ly/3Pod6W3) (<https://bit.ly/3Pod6W3>)
2. [Retail Supplier Files Bankruptcy, Customers Returned To Default Service; Supplier Serves Over 100 Muni Aggregations \(March 2022\)](https://bit.ly/3HtNODV) (<https://bit.ly/3HtNODV>)

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Coalition Model vs. Broker Model

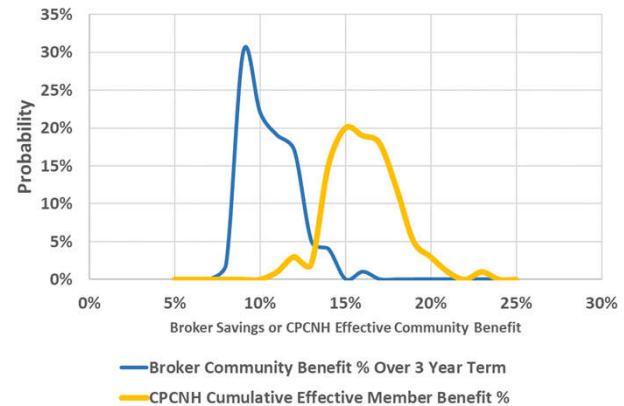
Results of 100 model runs of future Utility Default Rates over 3 years and associated savings/benefits of Broker vs. CPCNH

- ✓ Estimated Broker savings range: ~6-14%
- ✓ CPCNH Community Benefits (customer discount + reserve accrual) range: ~10-24%
- ✓ Each point on blue & yellow lines shows the probability of that level of savings occurring (E.g., 20% probability of 11% broker savings; 20% probability of 15% CPCNH benefit)

While the distributions *appear* to overlap, financial benefits of CPCNH were larger than broker savings in all 100 model runs.

- ✓ High utility default rate scenarios result in both higher broker savings and higher CPCNH benefits

Estimated 36 Month CPCNH Cumulative Effective Community Benefit vs Estimated Broker Model Customer Savings Probability Distributions



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3 | Coalition Governance & Professional Services



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Community Power Coalition of New Hampshire

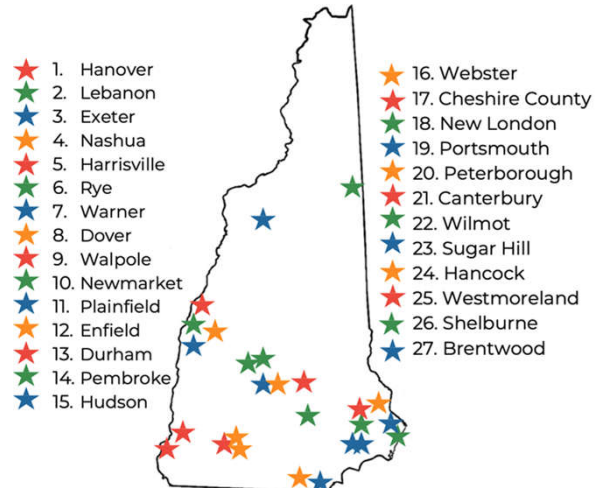
✓ Community-governed not-for-profit
Joint Power Agency formed on 10/1/21

✓ 27 Members representing:

- 21% of NH population
- ~125,000 customers
- ~1,124,000 MWh / year
- ~\$138 million / year revenues (controlled by communities)

✓ Target windows for program launch:

- Spring 2023 for 12 Members
- Spring 2024 for 15 Members



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Governed “for Communities, by Communities”

BOARD OF DIRECTORS

1. Chair Clifton Below, City of Lebanon (alt. Greg Ames)
2. Vice Chair Kevin Charette, City of Portsmouth (alt. Peter Rice)
3. Treasurer Kimberly Quirk, Town of Enfield (alt. Jo-Ellen Courtney)
4. Secretary Evan Oxenham, Town of Plainfield (alt. Steve Ladd)
5. Director Terry Clark, Cheshire County (alt. Chris Coates)
6. Director Christopher Parker, City of Dover (alt. Jackson Kaspari)
7. Director Doria Brown, City of Nashua (alt. Deb Chisholm)
8. Director Rick Labrecque, Town of Brentwood (alt. Tom Palma)
9. Director Kent Ruesswick, Town of Canterbury (alt. Howard Moffett)
10. Director Mandy Merrill, Town of Durham (alt. Nat Balch)
11. Director Nick Devonshire, Town of Exeter (alt. Julie Gilman)
12. Director Jim Callihan, Town of Hancock (alt. Robbie Hertneky)
13. Director April Salas, Town of Hanover (alt. Peter Kulbacki)
14. Director Andrea Hodson, Town of Harrisville (alt. Andrew Maneval)
15. Director Craig Putnam, Town of Hudson (alt. Kate Messner)
16. Director Jamie Hess, Town of New London (alt. Tim Paradis)
17. Director Toni Weinstein, Town of Newmarket (alt. Steve Fournier)
18. Director Michael Prange, Town of Peterborough (alt. Danica Melone)
19. Director Matt Miller, Town of Pembroke (alt. Jackie Wengenroth)
20. Director Lisa Sweet, Town of Rye (alt. Howard Kalet)
21. Director Steve Walker, Town of Shelburne (alt. Ray Danforth)
22. Director Jordan Applegate, Town of Sugar Hill (alt. Margo Connors)
23. Director Paul Looney, Town of Walpole (alt. Dennis Marcom)
24. Director Clyde Carson, Town of Warner (alt. George Packard)
25. Director Marty Bender, Town of Webster (alt. David Hemenway)
26. Director Mark Terry, Town of Westmoreland (alt. John Snowdon)
27. Director William Chaisson, Town of Wilmot (alt.)

OFFICERS & COMMITTEE CHAIRS



[Clifton Below](#)
Chair
City of Lebanon
Assistant Mayor & City
Councilor



[Kim Quirk](#)
Treasurer
Town of Enfield
Energy Committee



[Kevin Charette](#)
Vice Chair
City of Portsmouth
Energy Committee



[Evan Oxenham](#)
Secretary
Town of Plainfield
Energy Committee



[Matt Miller](#)
Chair, Risk
Management
Town of Pembroke
Energy Committee



[Lisa Sweet](#)
Chair, Member
Operations
Town of Rye
Energy Committee



[Mandy Merrill](#)
Chair, Regulatory &
Legislative Affairs
Town of Durham
Energy Committee



[April Salas](#)
Chair of CEO &
Staff Search
Town of Hanover
Sustainability Director

COMMITTEES (1) Executive (2) Finance (3) Risk Management (4) Member Operations & Engagement (5) Regulatory & Legislative Affairs (6) CEO & Staff Search

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CPCNH Professional Services Team

The Coalition has assembled a team of industry leading firms and professional service providers to operate member Community Power programs.

<u>Energy Portfolio Risk Management</u>  Ascend Analytics	<u>Retail Customer Services</u>  CALPINE ENERGY SOLUTIONS	<u>Member Services & Public Engagement</u>  CLEAN ENERGY NH Your Voice in All Energy Matters
<u>General Counsel</u>  DWGP DUNCAN WEINBERG GENZER PEMBROKE  PRIMMER PIPER EGGLESTON CRAMER PC ATTORNEYS AT LAW	<u>Start-up Consultants</u>  COMMUNITY CHOICE PARTNERS SECURING YOUR COMMUNITY'S ENERGY FUTURE  HERNDON ENTERPRISES	<u>Financial & Accounting Services</u>  River City Bank (CPCNH is in process of enlisting accounting services)

Executive Search Services: to support identifying and onboarding CPCNH's CEO  **truesearch**

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Legal Services + Startup Consulting Team



Michael Postar, Esq.

President of DWGP



General Counsel

Decades of national, state and local experience counseling public power clients



Samuel Golding



Lead Technical Consultant with 10+ years power agency design/ operations experience
 Drafted Joint Powers Agreement, Business Plan / cashflow analysis, Electric Aggregation Plan template & RFP solicitations and is advising on contract negotiations, critical path, regulations, org development, etc.



Elijah Emerson, Esq.



New Hampshire Counsel

HERNDON ENTERPRISES

Member Services Consultant and project lead on organizing group formation and agency incorporation
 Community Power program development & approval
 Administrative & communications services



Henry Herndon

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Energy Risk Management Team



Dr. Gary Dorris
President of Ascend Analytics



Dr. Carlos Blanco
Managing Director of
Analytics Solutions



Dr. Allison Weis
VP Optimization



Scott Wigglesworth
Managing Director of
Operations and Strategy



Dr. Brandon Mauch
Manager of Resource
Planning Analytics



Dr. Brent Nelson
Director of Market
Intelligence



Michael Ballow
Director of Analytics and
Strategy



Rishi Sahay, CFA
Director of Portfolio Analytics



Robert LaFaso
ISO Monitoring & Compliance
Analyst



Anthony Boukarim
Senior Energy Analyst

Ascend's team for CPCNH includes an additional ~30 analysts to support procurement and portfolio risk management.

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Energy Portfolio Risk Management

Ascend Analytics is a national industry leader in power portfolio risk management, resource planning, and software solutions.

- ✓ Clients include many of North America's more advanced community power agencies, electric utility companies, and energy generation and storage project developers.

Services include:

- ✓ Technical assessment of regional and state markets and CPCNH's business model, including cashflow analysis
- ✓ Support development of Key Agreements;
- ✓ Model electric demand, price and risk;
- ✓ Scenario analysis and stochastic modeling to minimize risk;
- ✓ Technical guidance for rate setting;
- ✓ Contract for Load Serving Entity (LSE) services; and
- ✓ Provide up to \$8.5 million in credit support and liquidity to purchase electricity.



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Retail Customer Services:



Calpine Energy Solutions is one of the largest electric service providers in the U.S.

- Has industry-leading expertise in data management, CPA customer service, software development and customization, big data solutions, and energy policy
- Has helped successfully launch and operate more than 20 community power agencies.
- Is providing \$750,000 in startup funding to support CPCNH's launch and development as a public power agency

Services include:

- Utility data interchange; customer data management; billing; and customer engagement, enrollment mailers & processing, and call center services;
- Providing data tools to ensure Members have access to their data and that CPCNH has the ability to independently stand up a data warehouse and draw in the data held by Calpine.

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Member Services & Public Engagement



CLEAN ENERGY NH
Your Voice in All Energy Matters

NH-based nonprofit and trusted advocate for communities with clean energy ambitions

- ✦ Extensive statewide connections
- ✦ Understands local politics, culture, and energy discourse

Services include:

- ✦ Statewide media strategy development & execution
- ✦ Policy monitoring and reporting
- ✦ Support Member development, adoption and approval of Electric Aggregation Plans
- ✦ Support community engagement and informational forums for member candidates
- ✦ Development of member webpages and educational resources/materials



Sam Evans-Brown
Executive Director



Melissa Elander
North Country Circuit Rider



John Kondos
Monadnock Circuit Rider



Beth San Sucie
Deputy Director



Chris Skoglund
Director of Energy Transition



Nick Paul
Director of Legislative Affairs

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Banking & Financial Services

- ✦ Extensive experience in multi-party lock-box services for Community Power Agencies to lower collateral and financing costs
- ✦ First bank to provide credit and banking services to CPAs in CA
- ✦ Services include:
 - Administration of a secured revenue account (lockbox) for CPCNH:
 - Customer revenues will be deposited by the utilities into lockbox
 - CPCNH's ISO-NE and power supply costs will be paid first
 - Net revenues are transferred to CPCNH to pay operating costs
 - Remaining revenues transferred to Member Financial Reserves account
 - May provide debt financing for CPCNH & renewable energy projects

**CPCNH is in the process of selecting a firm to provide accounting services.*



Rosa Hilmarsdottir Cucicea
Clean Energy Financing &
Banking Executive

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Guide to CPCNH Policy Documents

FOR COMMUNITIES, BY COMMUNITIES.

- ✓ Energy Portfolio Risk Management Policy
- ✓ Retail Rates Policy
- ✓ Financial Reserves Policy

December 28, 2022



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OF NEW HAMPSHIRE



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Table of Contents

- 1 | Process for Policy Development/Approval (3-5)
- 2 | Energy Portfolio Risk Management Policy (6-14)
- 3 | Retail Rates Policy (15-23)
- 4 | Financial Reserves Policy (24-32)

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1 | Process

Process for Development and Approval of Policies



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CPCNH Important Dates



11/03

RMC email outlines the process for finalizing key documents



11/15

Legal Consultation on CSA & Risk, Reserves, and Rates Policies



11/21
10:15 - 12:15

Legal Consultation on CSA & Risk, Reserves, and Rates Policies



11/22

Requested deadline for policy document feedback



11/28

RMC will release updated drafts of the documents



11/29
16:00-18:00

Legal Consultation on CSA & Risk, Reserves, and Rates Policies (possible make-up on 11/30)



12/08
17:00-20:00

RMC Public Meeting Deliberative Session on the 4 key documents



12/15

Board Meeting vote on whether to approve the 4 key documents



**JANUARY
2023**

Launching Members gain approval of policies from Governing Bodies



**FEB-MAR
2023**

Public Info & Outreach, Customer Notification & Public Hearing



**APRIL/May
2023**

CPCNH LAUNCH GOAL!!

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Interplay of Three Policies

Energy Portfolio Risk Management Policy

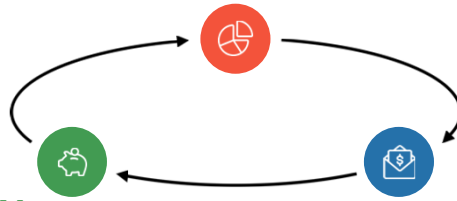
Outlines the mechanisms, financial safeguards, and reporting/transparency to procure electricity for members.

Financial Reserves Policy

Describes how the Financial Reserve will be established/maintained; mechanisms for utilization; how excess reserves are allocated and made available to Members.

Retail Rates Policy

Describes how retail rates will be set and what types of rates will be offered.



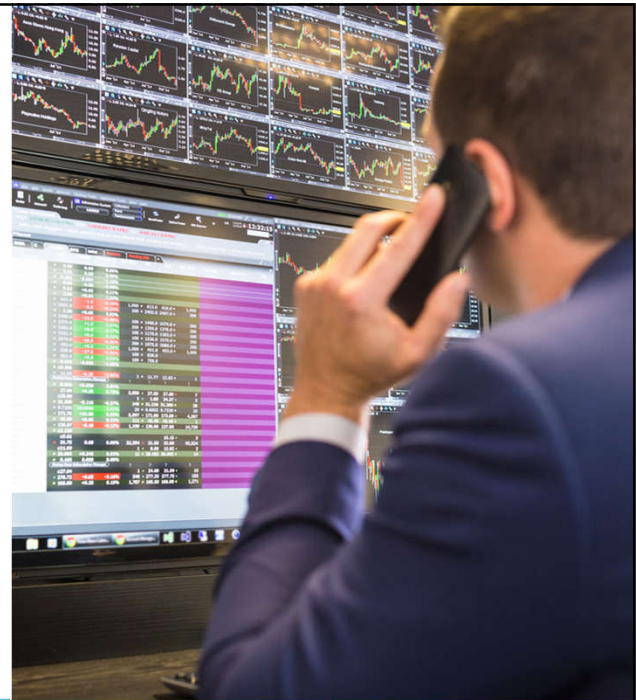
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2 | Energy Portfolio Risk Management Policy



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EPRM Section 1 – Philosophy, Objectives, Scope

Philosophy

- ✓ CPCNH's primary business is to procure/produce electricity supply to meet Community Power Aggregation (CPA) customer load requirements
- ✓ EPRM Policy provides a power procurement framework to maximize probability that CPCNH:
 - Identifies + manages risks of procuring and hedging the power supply portfolio
 - Accrues reserve funds to satisfy financial obligations

Objectives

- ✓ Meet customer "all-requirements electricity", obtain best available rates, maintain rate stability, develop and maintain financial reserves, plus additional items outlined in document

Scope

- ✓ EPRM Policy prescribes the management organization, authority, and processes to monitor, measure and control the risks to which CPCNH is exposed in the normal course of business arising primarily from CPCNH's participation in the wholesale energy markets. CPCNH is exposed to three quantifiable risks:
 1. **Volumetric Risk:** load and resource variability.
 2. **Price Risk:** market-related cost variability.
 3. **Counterparty Credit and Collateral Call Risk:** potential default by a counterparty or requirement to post collateral

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EPRM Section 2 – Risk Exposures

Defines main risk categories of:

1. Market Risk
2. Volumetric Risk
3. Opt-Out Risk (Customer Attrition Risk)
4. Counterparty Credit Risk
5. Liquidity and Collateral Risk
6. Regulatory and Legislative Risk
7. Operational Risk
8. Reputation Risk

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EPRM Section 3 – Risk Strategy & Parameters

Identifies key strategies CPCNH will apply to mitigate all the risks associated with energy transacting activities.

1. **Portfolio Strategy and Cost Allocation:** continuous monitoring + modeling of energy markets & customer behaviors/loads, responsive energy transactions to minimize cost + risk of electricity supply, settling financial obligations in the wholesale market.
2. **Portfolio Diversification:** electricity procured from numerous sources, with a variety of contract durations for both physical and financial energy contracts.
3. **Counterparty Diversification and Credit Exposure:** CPCNH will assess and monitor counterparty creditworthiness and avoid being overly reliant on any one entity.
4. **Default Rate Benchmarking:** CPCNH will monitor and compare its electricity rates against NH utilities.
5. **Reporting Requirements:** daily monitoring, at least weekly reporting of 5 energy supply parameters, and monthly reporting to the Risk Management Committee. Members have full access to reports and performance evaluations.
6. **Risk Metrics:** Portfolio management decisions supported by risk metrics computed from energy market simulations.
7. **Position Limits (Hedge Ratios):** CPCNH will purchase energy hedges to insure against future market price fluctuations. The policy documents defines minimum and maximum ratios of the electricity purchase commitments relative to the expected load.

All CPAs will be managed as one portfolio to maximize economies of scale, with detailed accounting to correctly allocate costs for different Members and Customer Classes.

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Position Limits (Hedge Ratios)

CPCNH will:

- ⚡ Rely on risk metrics to guide procurement decisions;
- ⚡ Purchase energy on a forward basis to hedge against the risk of open load positions within the minimum and maximum hedge ratios

Hedge ratios are fixed price purchases and supply resources divided by forecasted load.

Maintaining minimum and maximum hedge ratios limits CPCNH's net open exposure and provides a framework to manage market risk while allowing flexibility in procurement sufficient to maintain competitive rates.

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Position Limits (Hedge Ratios)

Discount to Utility Tariff Model			
Months to Delivery		Discount to Utility Tariff (Auction Based Rates)	
		Minimum	Maximum
0+	3	60%	125%
3+	6	50%	110%
6+	9	0%	70%
9+	12	0%	70%
12+	48	0%	50%

Cost of Service or Fixed Price Model			
Months to Delivery		Cost of Service ("Fixed Price" Rates)	
		Minimum	Maximum
0+	3	80%	125%
3+	6	50%	110%
6+	9	40%	90%
9+	12	40%	90%
12+	18	30%	90%
18+	24	20%	90%
24+	48	20%	90%

Hedges and futures purchases that ≠ 6 months forward products represent CPCNH's structural advantage achieved by active portfolio management as compared to regulated utility procurement methods.

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EPRM Section 4 – Risk Control Principles

The processes to identify, monitor, control and track risk exposure will involve:

- ✦ Delegation of authority to qualified parties
- ✦ Separation of responsibilities for procurement
- ✦ Adherence to well defined procedures, documentation, reporting, oversight and review

CPCNH will assess, specify and limit the types of energy products that may be transacted.

CPCNH Directors, Officers, Alternates, Employees, Volunteers, consultants, and any other person acting for or on behalf of CPCNH are bound by the terms of CPCNH's Conflict of Interest Policy.

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EPRM Section 5 – Roles, Responsibilities, Organization

Defines overall roles & responsibilities for implementation of EPRM Policy.

1. **CPCNH Board of Directors:** Member Board has ultimate oversight over CPCNH operations and is responsible for establishing organization-wide framework for risk management,
2. **CEO:** Has overall responsibility for implementing the EPRM Policy and for communicating risk management issues to the Member Board.
3. **Risk Management Committee:** Ensures procurement activities carried out on behalf of CPCNH are executed within the guidelines of EPRM Policy and are consistent with the Member's goals.
4. **Front Office*:** Responsible for managing CPCNH's market price risk associated with Member CPA load serving requirements.
5. **Middle Office*:** Independent oversight of the Front Office & adherence to this policy.
6. **Back Office*:** Provides supporting activities necessary to settle energy transactions (largely accounting) and support Middle Office risk control responsibilities.

*CPCNH's Front, Middle, and Back-Office functions will be provided by Ascend Analytics, LLC and our Load Serving Entity

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EPRM Section 6 – Policy Compliance

Describes how violations to any part of the EPRM Policy will be reported, investigated and reviewed.

- ✦ Independent, third party audits of the Enterprise Risk Management Policy, including the Energy Portfolio Risk Management Policy will be performed at least once every two years.
- ✦ Financial reserve levels reviewed monthly by Finance Committee.
- ✦ All employees and Members involved with EPRM Policy will be trained to the appropriate level.

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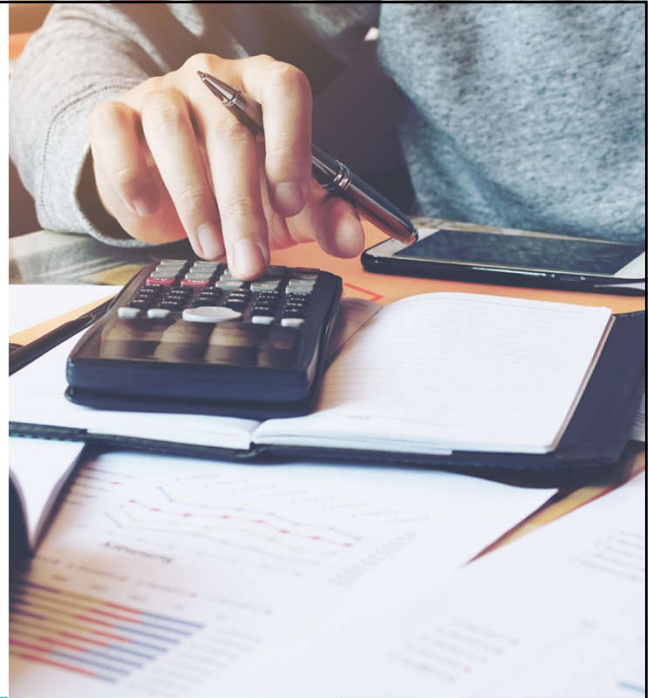
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3 | Retail Rates Policy

Section 1 – Purpose: Outlines the requirements, objectives, rate setting authorities, rate setting processes, and different types of rate products of CPCNH



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Rates Policy Section 2 – Requirements & Objectives

CPCNH will only launch new Member CPAs pursuant to meeting Member EAP requirements (e.g., meeting or beating the utility default service rates for residential customers at launch)

- ✓ Thereafter, CPCNH will strive to maintain default service rates that are lower than or competitive with utility default service rates.
 - “Competitive with” means that over the long term, CPCNH rates will be lower than the utility default service rates, but occasionally for short periods of time, utility rates may dip below CPCNH rates due to market volatility.
 - Other rates plans will also be made available for customers to opt-up to if desired.

Main considerations & requirements for setting rates for CPCNH customers:

- ✓ Rates set based on CPCNH financial data, energy positions, Member objectives & market considerations;
- ✓ Rates cover CPCNH’s operating/capital costs, financial reserve targets, other requirements set by the Board;
- ✓ NH law & rules require equitable treatment of customer classes & posting rates to NH DOE Shopping Comparison website;
- ✓ Rate changes are required to be publicly noticed at least 30 days in advance of becoming effective;
- ✓ CPCNH will support income eligible customers enrolled in Electric Assistance Program to receive their discount.

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Rates Policy Section 3 – Policy Amendments

- ⚡ CPCNH Board must approve amendments to the Retail Rates Policy.
- ⚡ The principal executive officers of **Each Member** will receive advance written notice of Board meetings at which changes to this Policy are proposed.
- ⚡ Subsequently, the principal executive officers of **Each Member** will receive prompt written notice of the effective date of such amendment.

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Rates Policy Section 4 – Default Rate Setting Process

- ⚡ CEO, in consultation with Risk Management and Finance Committees, will recommend default rates to Member Board for approval.
- ⚡ Advance written notice of Board meetings at which changes to default rates are proposed will be sent to the principal executive officers of **Each Member**.
- ⚡ Subsequently, prompt written notice of approved default rate changes will be sent to the principal executive officers of **Each Member**.
- ⚡ **Emergency Default Rate Adjustment Authority** for unexpected events:
 - The Board must approve emergency rate adjustments.
 - Prompt written notice of emergency rate adjustments will be sent to the principal executive officers of **Each Member**.

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Rates Policy Section 4 – Member Election of Rate Products & Discretionary Reserve Adders

- ✈ Individual Members may select different **default** and **opt-in** rate products:

Product	Minimum Content	Member Election
Granite Basic	Minimum RPS Content (23.4%)	Default, Opt-Down, or N/A
Granite Plus	~33% Renewable or Carbon Free	Default, Opt-Up, or N/A
Clean 50%	~50% Renewable or Carbon Free	Opt-up or N/A
Clean 100%	100% Renewable or Carbon Free	Opt-up or N/A

- ✈ Individual Members may elect to apply an adder to default and opt-in rates for the accrual and use of **Discretionary Reserves**, as provided for in the Financial Reserves Policy.

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Rates Policy Section 5 – Rate Structure Types

Lists and defines the types of Rate Structures permitted.

1. Discount to Utility Tariff Rates
2. Fixed Price Cost of Service Based Rates
3. Time of Use Rates
4. Net Metering Rates
5. Index Plus Adder Rates (pass-through + CPCNH admin adder)
6. Fixed and Index Blend Rates (combines structures 2 and 5)
7. Board approval required to authorize any new rate structures not listed

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Rates Policy Section 6.1 – Rate Product Types & Approval Authorities

Lists & defines the Rate Products CPCNH is permitted to offer:

- ✈ Default Service
 - Communities may elect from menu of different default rate products (e.g., minimum renewable content vs. 5-10% additional renewable or carbon-free content)
 - Local power generation can be incorporated into individual CPA default service offerings
- ✈ Alternative Customer Rate Options (Opt-in, Opt-up, or Opt-down)
 - Higher/lower renewable energy content
 - Price will have a different benchmark than Default Service
 - Innovative custom rates for larger customers based on cost to serve

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Rates Policy Section 6.2 – Net Metering Offer

CPCNH Anticipates Offering Net Metering Rates as Follows:

Traditional Net Metering 1.0

- ✈ Customers will maintain their Traditional Net Metering 1.0 rate structure and monthly kilowatt-hour crediting of excess generation towards future consumption.
- ✈ Customers that have accrued a bank of kilowatt-hours credits who transition to Community Power may zero out their bank of kilowatt-hour credits upon becoming Community Power customers.

Alternative Net Metering 2.0

- ✈ Customers will maintain their Alternative Net Metering 2.0 rate structure but will transition from a monthly taxable monetary payment for excess generation to a monthly kilowatt-hour credit for excess generation to be banked against future consumption for the supply component only.
- ✈ Such Customers may receive dual bills, one from utility for delivery charges/credits and one from CPCNH for supply charges/credits.

Group Net Metering

- ✈ “Host” customer-generators will likely benefit by remaining on utility default service, while their “Group Members” who may receive on-bill credits for Host exports to the Grid should benefit by switching to Community Power for their supply. CPCNH can help evaluate individual cases.

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Rates Policy Section 7 – Rate Product Content & Member Elections

CPCNH will offer the following rate products and contents:

Product	Minimum Content	Member Election
Granite Basic	Minimum RPS Content (23.4%)	Default, Opt-Down, or N/A
Granite Plus	~33% Renewable or Carbon Free	Default, Opt-Up, or N/A
Clean 50%	~50% Renewable or Carbon Free	Opt-up or N/A
Clean 100%	100% Renewable or Carbon Free	Opt-up or N/A

- Members may elect Granite Basic or Granite Plus as their default product, and other products as optional (opt-in, opt-up, or opt-down).

Product Content

- “Carbon-free” means power that is reported as carbon-free on an Environmental Disclosure label pursuant to Puc rule 2205.11 and includes power from larger hydroelectric generation that doesn’t qualify as renewable under RPS.

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4 | Financial Reserves Policy

Section 1 – Purpose: Establishes minimum, target, and maximum levels of **Joint Reserves** that will be accrued, used, maintained, and monitored by CPCNH; and provides for accrual and use of **Discretionary Reserves** by individual members.



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Financial Reserves Policy Section 2 – Objectives

Financial reserves are accrued and maintained by CPCNH on behalf of and for the benefit of Member CPAs with the following objectives:

- ✦ Protect against emergency default rate adjustments
- ✦ Strive to adjust rates gradually over time
- ✦ Ensure cash availability when net revenues are unavailable
- ✦ Lower and avoid interest expenses
- ✦ Achieve a credit rating and maintain good standing with rating agencies
- ✦ Manage risks identified in the Energy Portfolio Risk Management Policy
- ✦ Establish clear expectations between the Board of Directors, staff, contractors, and suppliers of electricity to CPCNH
- ✦ Net result = CPCNH is financially stable & able to develop projects for Members

A formal reserve policy creates a shared understanding of the proper level and use of reserves.

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Financial Reserves Policy Section 3 – Rights of Members to Reserve Contributions

- ✦ Reserve contributions shall be tracked and accounted for on behalf of **each Member CPA (your community)**.
- ✦ If a **Member CPA** withdraws from CPCNH or membership is involuntarily terminated, the balance of any reserves accrued by **your community** will be distributed or applied as directed by **your community's** governing body, after satisfaction of the Member's contractual obligations with CPCNH and in accordance with any applicable law and regulation.
- ✦ Financial reserves allow Members to “build equity” in CPCNH
- ✦ **Discretionary Reserves** may be collected on behalf of an individual Member and tracked, accounted for, and transferred to the Member or otherwise applied or held as directed by the individual Member's governing body

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Financial Reserves Policy Section 4 – Joint Reserve Target Levels Established

Defines three target levels of reserves, relative to the forecasted expense of operations as reflected in CPCNH's budget, and in addition to any other financial obligations CPCNH has committed to:

- ⚡ **Minimum Operating Reserve:** reserves sufficient to cover 60 days of operations to be achieved within 3 years.
- ⚡ **Target Operating Reserve:** reserves sufficient to cover 120 days of operations to be achieved within 5 years.
- ⚡ **Maximum Operating Reserve:** reserves sufficient to cover 180 days of operations.

Reserve targets have been set based on cost forecasting as part of the Technical Assessment of CPCNH's viability.

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Financial Reserves Policy Section 5 – Joint Reserve Target Levels Maintained

Defines financial reserve actions for different reserve levels.

- ⚡ **Replenishment of Minimum Reserves:** CPCNH will develop and implement a plan to return reserves to the minimum within 2 years.
- ⚡ **Between minimum and maximum reserve level:**
 - Small reserve contribution rate adjustments to grow reserve to a "Target Operating Level."
 - No further action required once the Target Operating Level is achieved.
- ⚡ **Above the maximum reserve level:** Considered excess reserves and allocated and distributed back to Member CPAs for their own use.

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Financial Reserves Policy Section 6 – Excess Reserves

- ✦ Reserves collected from customers of a given Member CPA in excess of the Maximum Operating Reserve Level will be allocated or distributed back to or otherwise made available for use as directed by the Member's governing body.
- ✦ Members may use Excess Reserves to invest in developing new local energy projects, to fund programs benefiting their customers specifically, for rate reductions, or for other uses as determined solely by each individual Member.

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Financial Reserves Policy Section 7 – Forecasting, Reporting & Evaluation of Joint Reserves

Outlines regular Financial Reserve assessments and adjustments.

- ✦ Reserves levels forecasted on a rolling 12-month basis to normalize for Member expansion
- ✦ Regularly Forecasting of Reserve Levels
 - Methodology is approved by Risk Management Committee (RMC)
 - Methodology is reviewed by Financial Committee
 - Reported monthly to the Member Board
- ✦ Periodic Review of the Reserve Target Levels
 - Reserve target levels periodically reviewed for consistency with industry standards by RMC
 - The funding level may be adjusted when significant new risks are identified or retired.
- ✦ Annual Consideration of Forecasted Reserve Levels and Targets
 - An analysis of over or under forecasting of reserve levels during the fiscal year shall be made in conjunction with year-end financial results. Results reported to the Board of Directors as part of year-end financial report presentation.
 - The Board to review and consider the target reserve levels defined in this Policy, in the context of CPCNH's overall financial condition and taking under consideration changes to the industry and/or CPCNH's exposure to the risk factors defined in the Enterprise Risk Management Policy.

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Financial Reserves Policy Section 7 – Conditions for Use of Joint Reserves

- ✚ The use of Joint Reserves is defined as an expenditure that is forecasted to result in more than a 10% reduction of the reserve level at the conclusion of a rolling 12-month forecast period.
- ✚ A temporary reduction in cash consistent with the expected peaks or dips in revenues and expenditures are normal cyclical occurrences to be expected over the course of any 12-month period, and do not constitute an expenditure of Joint Reserves.
- ✚ The expenditure of Joint Reserves is subject to approval by the Board. However, the CEO has the authority to use reserves for operating liquidity in emergency situations in consultation with the Board Chair and either the Vice Chair or Treasurer, and such actions must be noticed to the Board in the next meeting.

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Financial Reserves Policy Section 8 – Board Discretion

The Board may, by resolution, modify or suspend any provision of the Financial Reserves Policy for any duration at any time . . .

- ✚ **Except** that the provisions under this section and under “Rights of Members to Reserve Contributions” may only be modified or suspended by a written amendment unanimously approved by the votes cast at a meeting of the Membership at which a quorum is present.

The CEO or Board Chair will send notice to Member Representatives and principal executive officers of each Member:

- ✚ At least 14 days prior to a meeting at which proposed amendments to or suspension of the provisions under this section and under “Rights of Members to Reserve Contributions” may be acted upon;
- ✚ Subsequently, the effective date of such amendment or suspension.

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Guide to CPCNH Cost Sharing Agreement

December 28, 2022

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- 1 | Cost Sharing Agreement (2-13)**
- 2 | Exhibits — C: Menu of Services (14-27)**
- 3 | Cost Allocation Illustration (28-32)**

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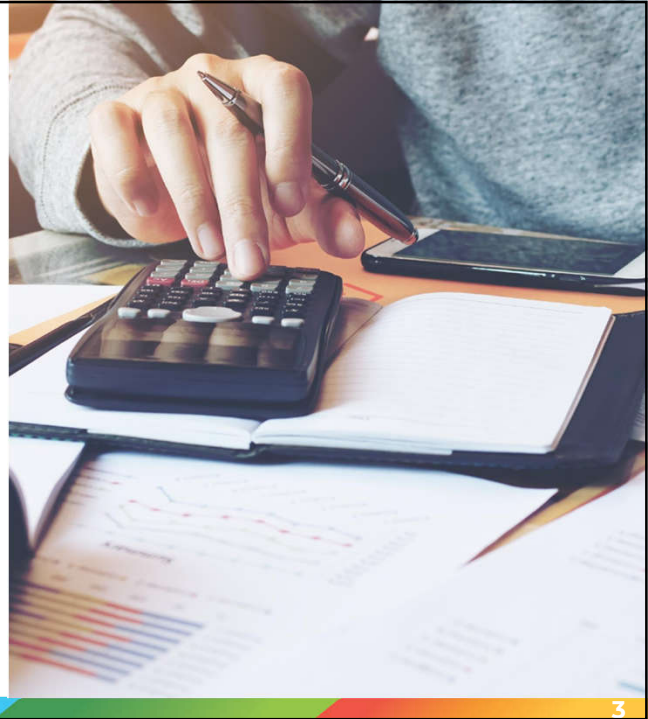
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1 | Cost Sharing Agreement

- Fair + proportional cost sharing among Members
- Establishes "Menu of Services"
- Defines categories of cost
- Provides operational clarity to all parties
- Requires monthly cost reporting



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Recitals, Legislative Context, & Purpose

- ✓ RSA 53-E, Community Power Act & Public Interest
- ✓ On October 1, 2021, the **City of Lebanon** adopted the Joint Powers Agreement (JPA) and joined CPCNH
- ✓ NH Constitution: *"Free and fair competition in trades and industries is an inherent and essential right of the people and should be protected against all monopolies and conspiracies which tend to hinder or destroy it"*
- ✓ CPCNH is jointly controlled + governed by Members; operated for their mutual benefit; promotes common good, general welfare, economic vitality, and prosperity of local communities in New Hampshire; affords economies of scale and scope for Community Power Aggregation (CPA)
- ✓ JPA requires Cost Sharing Agreement be entered into by Members to ensure costs are fairly recovered **through CPA revenues**, grants, or 3rd-party sources

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Article 1 – Purpose

- ⚡ **Fair & Proportional Cost Allocation:** Ensures that, to the extent practical, costs will be recovered from each Member's CPA revenues in proportion to the costs that each incurs or causes.
- ⚡ **Establish Elective "Menu of Services" (Exhibit C),** beginning with "Complete Service Bundle," execution of which delegates authority to CPCNH to implement CPA services for and collect revenues from participating retail electric customers, in accordance with CPCNH's Risk, Rates, and Reserves policies.
- ⚡ **Provide Operational Clarity** for CPCNH in the proper execution cost tracking and allocation across Members.

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Article 2 – Amendment

- ⚡ CSA must be uniform for all Members, except with regard to:
 - Scope of Member Services elected by Members (Exhibit C);
 - Project Contracts entered into by Members (Exhibit F);
 - "Menu of Services" + "Project Contracts" lists will grow over time, as Members elect to evolve their CPAs with new offerings
- ⚡ CSA may be amended by unanimous vote at Membership meeting provided written notice is sent to Member Representatives and principal executive officers at least 30 days prior to such meeting at which it is to be acted upon.

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Article 3 – Membership

Members currently intending to implement CPA program service in 2023:

City of Lebanon	Town of Rye	Town of Exeter
Town of Hanover	Town of Walpole	Town of Peterborough
City of Nashua	Town of Plainfield	Town of Durham
Cheshire County	Town of Enfield	Town of Harrisville

Members in the process of authorizing CPA programs:

City of Dover	Town of Newmarket	City of Portsmouth
Town of Warner	Town of Canterbury	Town of Westmoreland
Town of Pembroke	Town of Wilmot	Town of Hudson
Town of Webster	Town of Shelburne	Town of Sugar Hill
Town of New London	Town of Hancock	Town of Brentwood

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Article 4 – “Menu of Services” Election of CPA Member Services & Project Contracts

- ⚡ Menu of Services provided in Exhibit C
 - First item: “**Complete Service Bundle**,” inclusive of all services required to launch and operate initial CPAs
 - Additional services may be added over time
 - Enrollment periods for services may be pre-defined or open-ended
- ⚡ Project Contracts that individual members enter into shall be placed in Exhibit F

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Article 5 – Cost Recovery Commitment; Limitation

- ⚡ **No Taxpayer Funds:** JPA requires CSA ensure cost recovery through Member's CPA revenues, or from revenues from grants or other third- party sources.
- ⚡ Debts, liabilities, and obligations of CPCNH shall not be debts, liabilities, and obligations of the Member unless and only to the extent agreed to under a contracted Member Service (Exhibit C), or Project Contract.
- ⚡ All costs are to be recovered through rates, grants, or other 3rd party sources.

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Article 6 – Cost Reporting & Records

- ⚡ **Mandates transparency** for cost tracking & allocation.
- ⚡ Actual metered electricity will be used when available
 - Acknowledges CPCNH may employ reasonable estimations of cost causation (as per the nature of electricity supply service), depending on availability of data, with true-up to actual where possible
- ⚡ **Monthly CPCNH reporting** on costs + allocation
- ⚡ CPCNH JPA Article XIII
 - *"The books and records of the Corporation shall be open to inspection at all reasonable times to each Member and its representatives"*

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Article 7 – CPCNH Implementation Costs

Takeaway: all Members participating during years 1 - 5 will be allocated the same \$/MWh implementation cost.

Implementation Costs:

- ✈ Funds provided by Members, gifts, or grants (cash contributions)
- ✈ Credit extended to CPCNH from vendors or banks
- ✈ Interest-free cash advances, grants or loans received by CPCNH via contract
- ✈ Deferred compensation for vendors and contractors (contingent upon launch)

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Articles 8 + 9 – Cost Classification & Allocation

Definitions

CPA Member Services Costs: Costs incurred to provide the Complete Service Bundle, including those services CPAs require to undertake and provide Electric Aggregation Plans and Programs, such as: power supply procurement and management, data and billing, and customer service.

General & Admin Costs: Costs incurred for the general operation and administration of the Corporation, but not incurred specifically in connection with a particular Project or Member Service (e.g., CPCNH offices; Corporation-wide financial mgmt., business services, budget and planning, and personnel mgmt.; central mgmt. information systems; general mgmt. of the Corporation (strategic direction / member affairs), Board functions, accounting, procurement, and legal services; O&M expense; depreciation and use allowances; and interest costs).

Direct Project Costs: Costs incurred for a particular Project pursuant to a Project Contract

Recovery Approach

CPA Member Services Costs: To the extent reasonably practicable, costs incurred specifically in relation to one Member will be recovered from that Member. Otherwise, costs will be recovered from all Members on a pro rata volumetric usage basis.

General & Admin Costs: Recovered from each Member on a pro rata basis in accordance with the following formula:

$$\frac{[\text{Member CPA's Annual Retail Electricity Load}]}{[\text{All Member CPAs' Annual Retail Electricity Load}]}$$

Direct Project Costs: Recovered directly from the Member(s) that participate in a particular Project or pursuant to the Project Contract that governs Member cost responsibility for the Project.

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Article 10 – General Terms & Conditions

- ✓ No debt, liability or obligation of CPCNH can flow to **the City of Lebanon** unless specifically agreed to in writing (Member Services & Project Contracts).
- ✓ Indemnification and hold harmless clause for **the City of Lebanon, City Council**, and certain others — provided everyone is acting in good faith.
- ✓ Outline for dispute resolution
- ✓ What constitutes a continuing obligation for **the City of Lebanon** if you withdrew from the CSA and JPA.
 - Commits Members to honor contracts for Member Services (Exhibit C) and Project Contracts (Exhibit F).

Article 11 – Term

- ✓ Effective commencing upon the date the Member joined CPCNH
- ✓ Terminates with: (1) CPCNH dissolution; (2) Member withdrawal subject to continuing obligations, OR, as otherwise specified in CSA

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2 | Exhibits

Exhibit A — Cost Sharing Principles

Exhibit B — Cost Allocation Reference Table

Exhibit C — CPA Menu of Services

! Complete Service Bundle

Exhibit D — Template Cost Allocation Report

Exhibit E — Template Report Glossary

Exhibit F — Project Contracts



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Exhibit B – Cost Allocation Reference Table (1)

Classification	Cost Factor	Allocation Method
General & Administrative	All Costs	\$/MWh forecasts and annual true-up to pro rata share of <u>actual</u> “Annual Retail Electricity Load” (JPA defined term)
Direct Project	Costs identified in Project Contracts	As specified in Project Contracts
	Unanticipated Costs	As directed by Project Committee vote; alternatively, Member Project Contract participation share %
CPA Member Services <i>Power Supply</i>	All Requirements Electricity	Member CPA actual cost
	Net Hedging	\$/MWh (across all CPAs) <u>or</u> actual cost (for each CPA)
	Optional / <u>Opt-Up</u> Products	Member CPA actual cost

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Exhibit B – Cost Allocation Reference Table (2)

Classification	Cost Factor	Allocation Method
CPA Member Services <i>Operations</i>	Allocated Staff, Overhead & Misc. Svc	\$/MWh
	Member CPA Compliance Costs	Member CPA actual cost
	General Compliance Costs	\$/MWh
	Financing and Credit Support	\$/MWh (across all CPAs) <u>or</u> actual cost (for each CPA)
	Portfolio & Risk Management Services	\$/MWh
	ISO-NE Load Serving Entity (LSE) Services	\$/MWh
	Marketing & Community Services	\$/MWh
	Customer Notifications	\$/Notice
	Data Management & Billing Services	\$/Meter
	Call Center & Customer Services	\$/Meter
	Local Program Design, Admin & Finance	\$/MWh (across all CPAs) <u>or</u> actual cost (for each CPA)
CPA Member Services <i>Elective Services</i>	Additional services as authorized by the Board	

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Exhibit C: Complete Service Bundle – Recitals

- ✈ RSA 53-E, Community Power Act & Public Interest
- ✈ **the City of Lebanon...**
 - Desires to implement Community Power to further the public interest and benefit retail electric customers with access to competitive markets
 - Adopted an Electric Aggregation Plan
 - Executed the Cost Sharing Agreement
 - Endorses CPCNH's Data Security and Privacy; Risk; Rates; and Reserves policies
- ✈ CPCNH is a Joint Powers Agency and governmental instrumentality in service of **the City of Lebanon** and other Members
- ✈ The "Complete Service Bundle" includes all services required to launch and operate Lebanon Power Aggregation (CPA)

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Exhibit C: Complete Service Bundle – Purpose

- ✈ **Complete Service Bundle Definition:** all services, expertise and financial support required to *"undertake and provide Electric Aggregation Plans and Programs, such as: power supply procurement and management, data and billing, and customer service"*
- ✈ **Purpose:** create greater financial benefit for Members collectively by:
 - Public oversight, transparency, unbiased expert advice
 - Administrative cost efficiencies and business model innovations
 - Balance of short- and long-term cost savings and fiscal stability
 - Powerful representation at at NH General Court & Public Utilities Commission
 - Local programs, new rates & services, project development to lower costs

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Exhibit C: CSB – Decision-Making Framework

Details of choices available to each Member of:

- ⚡ Whether and when to procure power initially on **Lebanon's** behalf
- ⚡ Rate products offered to **Lebanon's** customers
- ⚡ Collecting additional financial reserves for **Lebanon's** sole use
- ⚡ Termination of this Contract, **before** and **after enrollment** of the Member's customers.

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Exhibit C: CSB – Delegation of Authority & Commitment to Act

Execution of the Complete Service Bundle:

- ⚡ Authorizes and delegates authority to CPCNH to act as agent as required to provide CPA services; Commits CPCNH to provide services
- ⚡ Commits Member to complete its responsibilities (e.g., making necessary governmental filings; obtaining/sharing data)

Electric Aggregation Plan

- ⚡ Acknowledges terms and requirements of EAPs may prevent CPCNH from providing service
- ⚡ Commits CPCNH to reviewing EAPs and, if necessary, recommending modifications

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Exhibit C: CSB – Professional Ability & Service Contracts

CPCNH relies upon qualified service providers, consultants and personnel to provide services

✈ CPCNH services are predicated on:

- Contracts CPCNH has executed with service providers hired through competitive solicitations
- CPCNH's internal capacity, including staff capacity commencing with an anticipated hire of a CEO in March 2023
- The timeline by which distribution utilities implement Puc 2200 rules, which have not been fully implemented as of December 2022.

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CSB – Term; Procurement & Termination Elections

✈ **Lebanon** may elect to terminate Complete Service Bundle Contract with immediate effect via written notice, provided CPCNH has not authorized entering into transactions for power on behalf of the Member

✈ **Election to Delay:** *“Authorized Officer”* may delay commencing procurement during the Risk Management Committee (RMC) meeting convened to authorize the first power transactions of CPCNH on behalf of the Member.

- RMC will call for verbal elections to delay after discussion of rate forecasts

✈ **Energy Portfolio Risk Mgmt Policy:** Initially *“Hedging shall not extend beyond 36 months from the date that CPCNH first begins providing electricity”*

- During first 12-months, Member may elect to terminate after the full 36-month term
- After first 12-months, Member may elect to terminate 36 months in advance

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CSB – Early Termination

Early Termination Option 1: Fulfill Waiting Period

- ✓ Upon receipt of termination notice, CPCNH shall inform **Lebanon** of the **minimum waiting period** under which there would be no costs for withdrawal.
 - Costs of withdrawal may include losses from the resale of power contracted for by CPCNH to serve the **Lebanon's** load.
 - Waiting period = minimum duration by which no costs would be transferred to the remaining Members that have elected the Services.

Early Termination Option 2: Covering of Losses

- ✓ **Lebanon** may terminate during the waiting period, provided it first deposits sufficient funds with CPCNH, as reasonably determined by CPCNH and approved by a vote of the Board of Directors, to cover **Lebanon's** liability for outstanding costs.
- ✓ **Lebanon** may elect to use its **allocated share of Joint Reserves** or **Discretionary Reserves**, for this purpose.

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CSB – Return of Joint Reserves; Authorized Officer & Principal Representatives; Amendments

Return of Joint Reserves: After the effective date of a Member's termination, reserves in excess of the cost incurred by CPCNH as a result of the termination will be allocated back to the Member for its discretionary use.

Members will designate an "Authorized Officer" who may elect to:

- ✓ Delay commencing procurement: (YES/NO)
- ✓ Specify default and optional products: (YES/NO)
- ✓ Set Discretionary Reserve adders: (YES/NO)

"Principal Representatives" are:

- ✓ Member & Alternate Representatives; Principal Executive Officer

Amendments

- ✓ Amendments are subject to review and approval of all Members that have executed the Complete Service Bundle Contract

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CSB – Attestation of Signing Authority; Execution

Members will attach the resolution of their governing body authorizing the execution of the Contract and other authorization documents (e.g., Electric Aggregation Plans)

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CSB – Appendix A, Decision-Making Framework (1)

CPCNH will:

- ✦ Assist or provide for public engagement efforts (logo, website hosted on a Dot Gov address; materials; trainings; utility registrations; call centers; print mailers; opt-in/out processing; etc.).

The decision to procure power is a collective decision made by the Risk Management Committee:

- ✦ **Lebanon** may elect to delay procurement up until the decision by the Risk Management Committee to commence procurement.
- ✦ Rates will be set after procurement has concluded.

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CSB – Appendix A, Decision-Making Framework (2)

CPCNH Risk Management and Finance Committees will deliberate and welcome public input on rate setting, resulting in a recommendation to the Board

✈ Lebanon may then elect from the following product options:

Product	Minimum Content	Member Election
Granite Basic	Minimum RPS Content (23.4%)	Default, Opt-Down, or N/A
Granite Plus	~33% Renewable or Carbon Free	Default, Opt-Up, or N/A
Clean 50%	~50% Renewable or Carbon Free	Opt-up or N/A
Clean 100%	100% Renewable or Carbon Free	Opt-up or N/A

✈ Discretionary Reserve setting may not be available during initial launch months.

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3 | Cost Allocation Illustration



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Example Implementation Cost Allocation Equation: 1-Year Load Estimates (For Wave 1 Members)

Year 1 = **Your CPA's** estimated Year 1 load / CPCNH estimated Year 1 load * 1/3 * Cumulative Implementation Cost.

Year 2 = **Your CPA's** estimated Year 2 load / CPCNH estimated Year 2 load * 1/2 * Remaining Implementation Cost + Year 1 Reconciliation based on Actuals.

Year 3 = **Your CPA's** estimated Year 3 load / CPCNH estimated Year 3 load * 1 * Remaining Implementation Cost + Year 2 Reconciliation based on Actuals.

Year 4 = **Your CPA's** estimated cumulative load over 4 years * 4-year target average \$/MWh reconciliation - cumulative implementation costs over 4 years + Year 3 Reconciliation based on Actuals.

Year 5 = **Your CPA's** estimated cumulative load over 5 years * 5-year target average \$/MWh reconciliation - cumulative implementation costs over 5 years + Year 4 Reconciliation based on Actuals.

Year 6 = Year 5 Reconciliation based on Actuals.

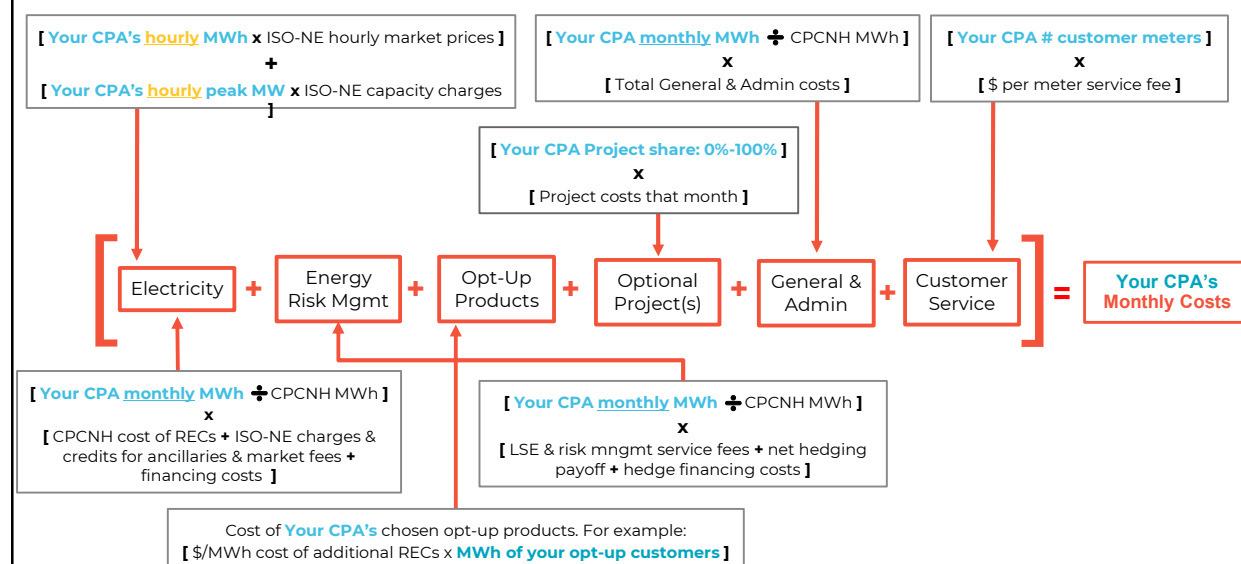
Error check = **Your CPA's** cumulative Year 6 \$/MWh Implementation cost allocation is equivalent to every other communities' cumulative \$/MWh implementation cost allocation.

This is one of many methods to achieve the same result of costs repaid after 3 years, and all Members participating at some time during the 5-year period paying the same \$/MWh implementation rate.

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Equation for Monthly Cost Allocation

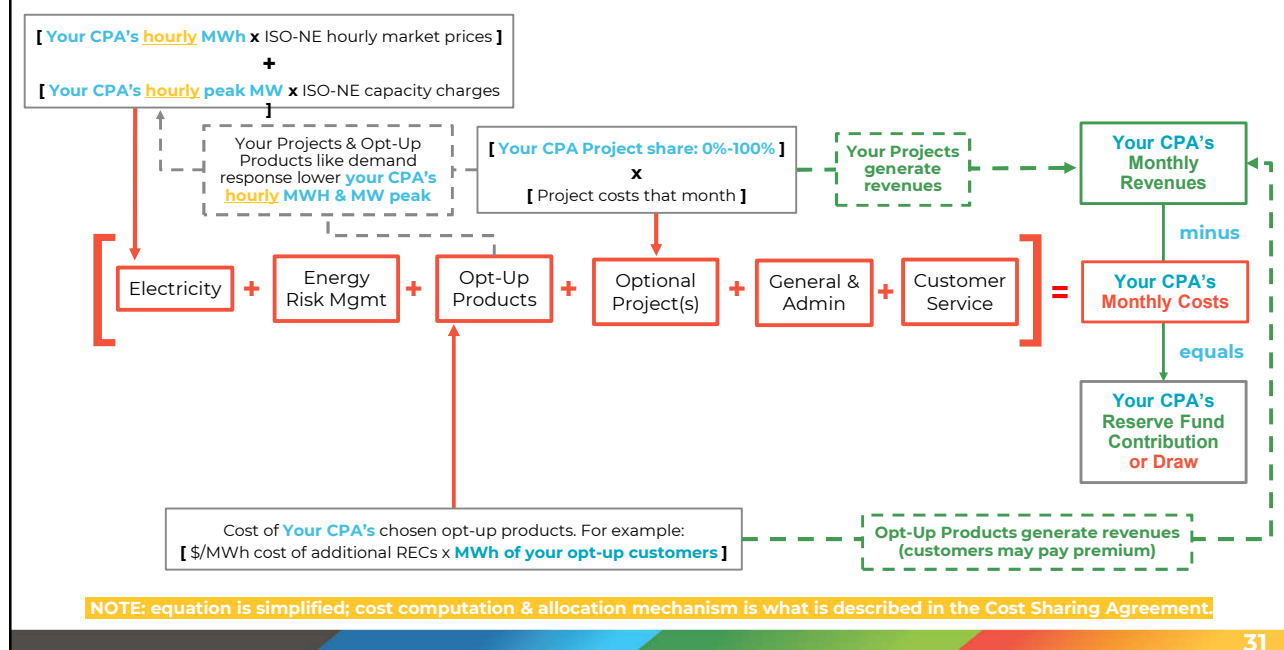


NOTE: equation is simplified; cost computation & allocation mechanism is what is described in the Cost Sharing Agreement.

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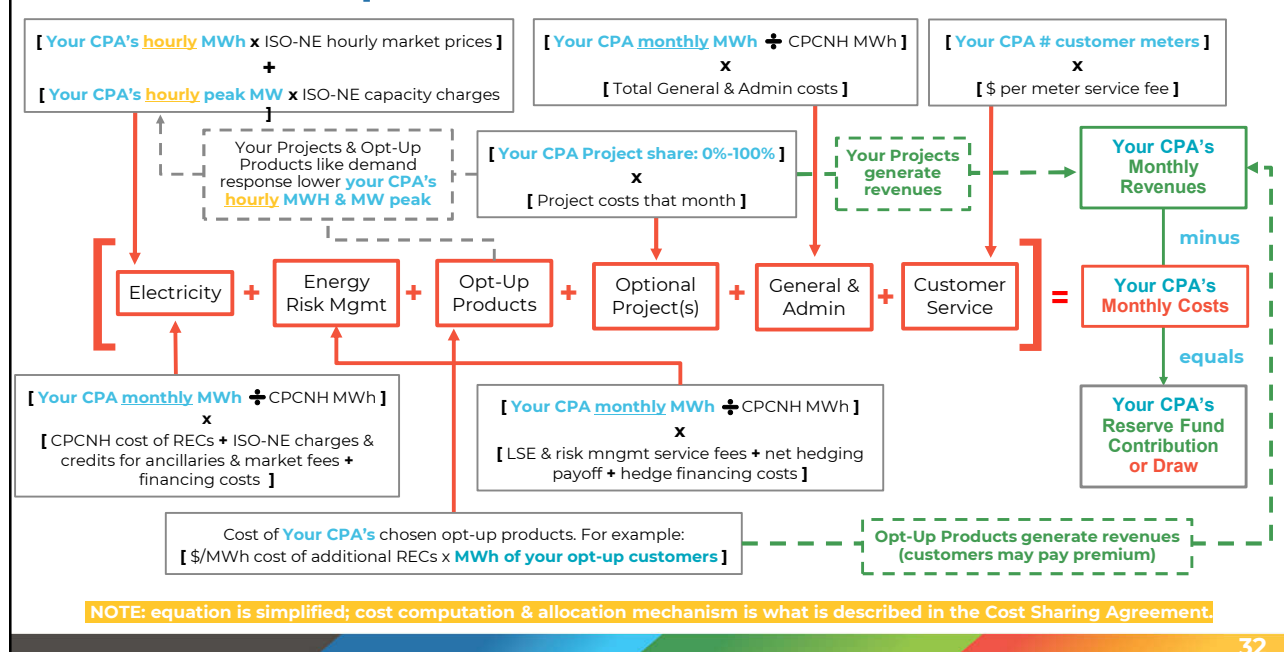
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How Products & Projects impact Cost & Revenues



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Combined Equation



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Policy Title Data Security and Privacy
Policy Number CPCNH-2022-04
Effective Date Original: December 15, 2022

PURPOSE

To define the specific goals, requirements, and controls necessary to safeguard the confidentiality, integrity, and availability of confidential individual customer information.

POLICY

WHEREAS, the General Court adopted RSA 359-C (*the New Hampshire Right to Privacy Act*), RSA 91-A (*Access to Governmental Records and Meetings*), RSA 363:37-38 (*Privacy Policies for Individual Customer Data*), RSA 53-A:3 (*Agreements Between Government Units*), and RSA 53-E (*Aggregation of Electric Customers by Municipalities and Counties*), as amended from time to time;

WHEREAS, RSA 53-E:4 (*Regulation*) provides that Community Power Aggregators (“CPAs”) may use Individual Customer Data (“ICD”) for specific purposes, exempts ICD from public disclosure under RSA 91-A, requires CPAs to maintain the confidentiality of ICD in compliance with their obligations as service providers under RSA 363:37 (*Definitions*) and RSA 363:38 (*Duties and Responsibilities of Service Providers*), and provides CPAs with access to Electric Distribution Utility (“EDU”) Electronic Data Interchange (“EDI”) system;

WHEREAS, RSA 359-C:19, V (*Notice of Security Breach*) requires reporting of data security breaches, as defined in RSA 359-C:20 (*Definitions*);

WHEREAS, RSA 53-E:7 (*Aggregation Program*) required the Public Utilities Commission (“PUC”) to adopt Administrative Rules governing “access to customer data for planning and operation of aggregations” and other matters;

WHEREAS, the PUC has recently adopted Administrative Rules for CPAs, including Puc 2204.03 (*Request for Names, Addresses, and Account Numbers of Customers*), Puc 2204.04 (*Notification of CPA Commencement of Service*), Puc 2204.05 (*Notification of CPA Service Rates and Customer Enrollment*), Puc 2204.06 (*Use of Electronic Data Interchange*), Puc 2205.13 (*Individual Customer Billing Information*), Puc 2205.05 (*New Utility Service Customers*) and Puc 2205.14 (*Enabling Meter Reading Authority and Access to Interval Meter Data*), and had previously adopted Administrative Rules for Competitive Electric Power Suppliers (“CEPS”) and brokers, including Puc 2004.19 (*Protection of Confidential Customer Information*), and



WHEREAS, CPCNH is a Joint Powers Agency and governmental instrumentality authorized under RSA 53-A:3 (*Joint Exercise of Powers*) and RSA 53-E:3 (*Municipal and County Authorities*), pursuant to Article III of the Joint Powers Agreement of Community Power Coalition of New Hampshire, effective as of October 1, 2021, that expressly authorizes CPCNH through its CEO and Board to:

1. *"Comply with orders, tariffs, and agreements for the establishment and implementation of community power aggregations and other energy related programs"* (Section 2.3.11 of the CPCNH By-Laws);
2. *"Make and enter into contracts"* (Section 2.3.6 of the CPCNH By-Laws);
3. *"Make and enter into service agreements relating to the provision of services necessary to plan, implement, operate, and administer CPCNH's affairs"* (Section 2.3.9 of the CPCNH By-Laws); and
4. *"Do all acts permitted... as well as any act necessary, consistent with New Hampshire law to fulfill the purposes"* (Section 2.3 of the CPCNH By-Laws) set forth under the Joint Powers Agreement, which include assisting *"member municipalities and counties in complying with the provisions of NH RSA 53-E in developing and implementing ... Community Power Aggregations"* (Section 2.1 of the CPCNH By-Laws);

WHEREAS, CPCNH and third parties under contract with CPCNH, acting on behalf of CPAs in the capacity as a service provider to CPAs, will need to access and use ICD for operational needs including for the research, development, and implementation of CPAs, new rate structures and tariffs, demand response, customer assistance, energy management, or energy efficiency programs;

WHEREAS, third parties under contract to CPCNH that may require access to ICD on behalf of CPAs may include CEPS functioning as Load Serving Entities ("LSEs") for the supply of all requirements energy, or other third-parties under contract with CPCNH to provide LSE services, as well as portfolio management, Electronic Data Interchange (EDI), Customer Information System (CIS), billing, accounting, and related services, and other contractors and academic institutions under contract with CPCNH to support the research and development of potential new energy services to offer to CPA customers;

WHEREAS, specific types of ICD that CPCNH and third parties contracted through CPCNH are expected to receive and possess on behalf of CPAs include:

1. Name, address, account number, and other information about electric customers for purposes of sending required notification of CPA Commencement of Service and performing other tasks required prior to or shortly after the enrollment of customers in CPA service, consistent with Puc 2204.03, Puc 2204.04, and Puc 2204.05, or equivalent rule provisions as may be adopted by the PUC from time to time, and the requirements of RSA 53-E, as may be amended by the General Court from time to time;



2. Individual customer information used for operation of CPAs received after the enrollment of customers in CPA service, such as that in Puc 2205.13, most of which may be accessed through the Electric Distribution Utility (EDU) Electronic Data Interchange (EDI) system pursuant to Puc 2204.06, and received from EDUs to enable new customer notifications thereafter, pursuant to Puc 2205.05, and for directly reading certain customer meters or otherwise accessing customer meter data held by the EDU more directly, pursuant to Puc 2205.14 and subject to the PUC's approval in future; and
3. Other confidential customer information that may be received or collected directly by CPAs, CPCNH and/or third parties under contract with CPCNH, from sources other than the EDU due to customer participation in particular related programs or services, billing operations, other customer services, or that may be volunteered by customers and/or Members, which shall likewise only be used for statutorily authorized purposes as ICD or pursuant to the express consent of the customer and are also referred to as ICD herein.

WHEREAS, ongoing collection and use of ICD will be used for both:

1. General planning and operational needs for CPA retail power supply and related energy services requirements, such as load and supply forecasting, portfolio management, billing, revenue collection, and audit processes, and for research and development of potential new energy services to offer to customer participants; and
2. Programmatic and customer-specific services and offerings, such as responding to customer account queries, opt-in rates or demand side management for customers with flexible demand, distributed generation or storage, and interval meters; and other energy services that may be offered including programs for Low to Moderate Income (LMI) participants that are qualified in the Electric Assistance Program (EAP).

NOW THEREFORE, in consideration of the above, it is CPCNH's policy to define the specific goals, requirements, and controls necessary to safeguard the confidentiality, integrity, and availability of Individual Customer Data, as follows:

1. In compliance with RSA 53-E:4 (*Regulation*) and RSA 53-E:7 (*Aggregation Program*); RSA 363:38 (*Duties and Responsibilities of Service Providers*) and RSA 363.37 (*Definitions*); and RSA 359-C:20 (*Privacy Policies for Individual Customer Data*) and RSA 359-C:19 (*Definitions*), as amended by the General Court from time to time:
 - a. CPCNH and third parties contracted through CPCNH that will receive or access ICD on behalf of CPAs are required to:
 - i. Comply with all Administrative Rules related to the access and use of ICD under Puc 2200 (*Municipal and County Aggregation Rules*),



as may be amended from time to time, and any other applicable PUC rules or orders;

- b.** Use ICD solely as authorized with the express consent of the customer or for legitimate primary purposes, specifically to comply with the provisions of RSA 53-E and RSA 368:38, such as for: providing or billing for electrical service; meeting system, grid, or operational needs; researching, developing, and implementing new CPA programs, rate structures and tariffs, demand response, customer assistance, energy management, or energy efficiency programs; and for research and development of potential new energy services to offer to customer participants (Primary Purposes);

 - i. Implement and maintain reasonable security procedures and practices appropriate to the nature of the ICD to ensure that only authorized individuals have access to ICD for Primary Purposes or as provided by the express consent of the customer;
 - ii. Protect ICD from unauthorized access, use, destruction, modification, or disclosure, and report any data security breach as required by RSA 359-C:20 and any other applicable laws, rules, regulations, or utility tariffs;
 - iii. Collect, store, use, and disclose only as much ICD as is necessary to accomplish the Primary Purposes or as provided by the express consent of the customer;
 - iv. Not use ICD for a secondary commercial purpose unrelated to the Primary Purposes without the express consent of the customer; and
 - v. Return or permanently delete all ICD after contract termination and deliver a certificate, signed by an authorized representative, stating that all ICD has been returned or permanently deleted and that all materials based on ICD has been destroyed, as appropriate, i.e., except for copies necessary for tax, billing, other required legal compliance or financial purposes, or as may be created residually due to system backups, provided that the confidentiality of data is maintained in accordance with applicable laws.
- c.** Further, if CPCNH contracts with one or more CEPS to provide LSE services to participating customers, or brokers to support operations in a capacity that would require access to ICD, then the CEPS and/or brokers shall additionally be required to comply with the requirements of Puc 2004.19 (*Protection of Confidential Customer Information*), pursuant to Puc 2205.02 (*Application of Puc 2000 to CEPS When Providing Electricity Supply to CPA Customers*), as may be amended by the PUC from time to time.



2. The Chief Executive Officer (CEO) as provided under Article VIII of the CPCNH By-Laws, or in the absence of the CEO, the Chair of the Board of Directors, as provided under Section 5.1 of the CPCNH By-Laws, shall (i) ensure that contracts CPCNH enters into with third parties that will receive or access ICD on behalf of CPAs have (a) incorporated the above requirements, as appropriate, and as amended, and (b), additionally provide for independent security assessments, documentation, and reporting to safeguard these requirements, as deemed necessary or prudent, and (ii) will deliver a signed attestation, upon request, to this effect to the General Counsel and Secretary to be maintained with the records of the Corporation.
3. The Regulatory and Legislative Affairs Committee shall advise on and recommend changes to this policy to the Board of Directors as necessary to maintain compliance with applicable laws, rules, and regulations that supersede the considerations and requirements established herein.
4. Use of Legal Counsel. CPCNH's CEO or Board will seek the advice of legal counsel in matters relating to data security and privacy, including but not limited to the policies adopted hereunder, when appropriate, and specifically, counsel will be employed to review:
 - a. Enacted Changes to RSA 359-C (*the New Hampshire Right to Privacy Act*), RSA 91-A (*Access to Governmental Records and Meetings*), RSA 363:37-38 (*Privacy Policies for Individual Customer Data*), RSA 53-A:3 (*Agreements Between Government Units*), and RSA 53-E (*Aggregation of Electric Customers by Municipalities and Counties*) or other related statutes that modify, alter, or negate the stated policies herein; and
 - b. Amendments to contracts with any third parties that contract with CPCNH that may require access to ICD on behalf of CPCNH that modify, alter, or negate terms and conditions of said contracts related to data security and privacy.

Energy Portfolio Risk Management, Retail Rates, and Financial Reserves Policies

For Communities, By Communities



**COMMUNITY
POWER COALITION
OF NEW HAMPSHIRE**

ADOPTED DATE: December 19, 2022

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ENERGY PORTFOLIO RISK MANAGEMENT POLICY

Philosophy, Objectives & Scope

This Energy Portfolio Risk Management Policy (EPRM Policy) outlines the philosophies and objectives of the Community Power Coalition (CPCNH) Board of Directors (Board) in governing and making decisions necessary to provide the credit support, portfolio analytics, hedging, and daily operating activities required to implement and operate Community Power Aggregation (CPA) power supply services.

The Risk Management Committee (RMC) is responsible for ensuring the development and maintenance of CPCNH's Energy Portfolio Risk Management Regulations (EPRM Regulations) to expand on the roles, strategies, controls, and authorities authorized in this policy to form a comprehensive energy risk management program.

Risk Philosophy

As a Joint Powers Agency, CPCNH is in the business of procuring and generating energy for the benefit of its participating Member CPAs. The goal of this policy is to:

- ⚡ Serve Member CPA needs subject to Board approved risk tolerance limits.
- ⚡ Provide as much energy supply cost certainty for CPA customers as reasonably possible while maintaining a least cost portfolio.
- ⚡ Develop and enhance the value of CPCNH and Member CPA assets to meet the financial and local policy goals of the participating Members.

CPCNH recognizes that novel technologies, market dynamics, and regulatory shifts are combining to create new levels and dimensions of risk, and opportunities, that must be integrated into CPCNH's portfolio risk management program.

CPCNH's objective is to develop the least cost, greatest value portfolio to meet load requirements of CPA customers, while maximizing revenues from sales of surplus energy from wholesale and local project resources, and creating new sources of revenue through the intelligent design and integration of price-responsive customer rates, market-enabling products, and local programs (e.g., portfolio optimization).

Unlike a private-sector supplier, CPCNH's primary business purpose is to serve its Members. CPCNH's goal is to be a cost hedger for its Member CPAs load and is therefore precluded by this policy from engaging in purely speculative activities typical to many organizations oriented toward profit maximization.

CPCNH also recognizes that there are additional risks beyond those related to normal power supply operations and hedging activities. CPCNH's goal is to limit, to the extent practicable, exposure to those risks. This document serves as a vehicle to describe and define the limits for activities considered as appropriate for CPCNH in a normal course of business of serving loads and procuring power.



Business Activities

CPCNH's primary business is to procure or produce electricity supply to meet CPA customer load requirements. The resource supply portfolio may consist of fixed and variable priced supply contracts of varying lengths, physical assets (such as power plants and distributed energy resources), and agreements for other related supplies and services needed to ensure reliable delivery of electricity to CPA customers.

The objective of the EPRM Policy is to provide a framework for conducting procurement activities that maximize the probability of CPCNH meeting its goals. The policy documents the framework by which CPCNH will:

- ✦ Identify risks associated with the procurement of power supply.
- ✦ Identify those responsible for administering the various elements of the risk management policy from procurement operations to oversight activities.
- ✦ Set parameters and methodologies for managing risk associated with procuring and hedging the power supply portfolio including the specification of authorized products, terms, and transaction limits.
- ✦ Provide for the accrual of reserve funds for the purpose of satisfying all financial obligations and objectives associated with management of the portfolio.

The EPRM Policy applies to all power procurement and related business activities that may impact the risk profile of CPCNH and its Member CPAs.

Transacting Objectives

CPCNH's objectives when transacting on behalf of Member CPAs for the procurement of energy and energy related supplies and services are as follows:

1. Meet customer all-requirements electricity requirements, inclusive of all of the electrical energy, capacity, reserves, ancillary services, transmission and distribution losses, congestion management, and other such services or products necessary to provide firm power supply to participants and meet the requirements of New Hampshire's Renewable Portfolio Standard.
2. Provide competitive rates for the participating Member CPAs, and stability and choice for participating customers.
3. Obtain the best available price for power supply while complying with the requirements of this policy and other objectives established by the Board.
4. Develop local renewable, battery storage, and distributed energy projects and customer programs.
5. Manage CPCNH's assets to optimize value.
6. Act to limit exposure to extreme market system changes.
7. Follow effective wholesale counterparty credit management procedures.
8. Develop and maintain financial reserves.



9. Develop and maintain CPCNH's investment grade credit rating.

CPCNH's overall transacting objective is to meet the load requirements of Member CPA customers with an optimized portfolio.

Scope of Policy

This EPRM Policy prescribes the management organization, authority, and processes to monitor, measure and control the risks to which CPCNH is exposed in the normal course of business arising primarily from CPCNH's participation in the wholesale energy markets. CPCNH is exposed to three quantifiable risks:

1. Volumetric risk: load and resource variability.
2. Price risk: market-related cost variability.
3. Counterparty Credit and Collateral Call risk: potential default by a counterparty or requirement to post collateral

This policy applies to all energy and energy related transactions made by CPCNH, and the term "risk management" is herein understood to refer solely to risks related to participation in wholesale energy markets as herein defined.

Specific methodologies used to measure, monitor, and control these risks shall be established by the Risk Management Committee, in accordance with sound utility practices and included in the EPRM Regulations.

From the perspective of risk mitigation, CPCNH's primary objective is to cover load and optimize the value of assets. Taking risks unrelated to CPCNH's normal power supply business activities, is not permitted.

CPCNH is also exposed to regulatory, operational and reputation risks. These risk categories and exposures are managed pursuant to CPCNH's Enterprise Risk Management Policy (ERM Policy).

Policy Administration, Review and Amendments

Energy Portfolio Risk Management will be a regular reporting standing agenda item at meetings of the Risk Management Committee and Board.

The Board, in consultation with the Risk Management Committee, is responsible for adopting this policy and reviewing it as needed at least every two calendar years.

The Board must approve amendments to the EPRM Policy. Advance written notice of Board meetings at which changes to this Policy are proposed shall be sent to the principal executive officers of each Member by the CEO or Board Chair. Subsequently, any such amendment shall be sent to the principal executive officers of each Member by the CEO or Board Chair.



Approval and Amendment of Regulations

After the EPRM Regulations are initially approved by the Board, the regulations may be amended with approval of the CEO, in consultation with the RMC, provided that the CEO sends prompt written notice to the Board of any such amendments.

Applicability

This EPRM Policy is effective immediately upon its adoption by the Board. It applies to CPCNH's wholesale supply operations, long-term contracting for energy/capacity and services, acquisition of generation resources, credit risk management and other related ancillary activities undertaken by CPCNH.

CPCNH Officers, Directors, staff, and contractors engaged in portfolio risk management will adhere to and be governed by this EPRM Policy.

Risk Exposures

CPCNH must procure electric power supplies and operate in the wholesale energy market which exposes CPCNH, and ultimately the customers of participating Members, to various risks. The risks listed relate to CPCNH participation in wholesale and retail markets as a Load Serving Entity (LSE). These categories are defined and explained as follows.

Market Risk

Market risk is the uncertainty of CPCNH's financial performance due to variable commodity market prices (market price risk) and uncertain price relationships (basis risk). Variability in market prices creates uncertainty in CPCNH's procurement costs, which has a direct impact on customer rates.

Volumetric Risk

Volumetric risk reflects the potential adverse financial outcomes due to the uncertainty in the quantity of different power supply products required to meet the needs of CPCNH and its members. Customer load is subject to fluctuation due to customer opt-outs or departures, temperature deviation from normal, unforeseen changes in the growth of behind the meter generation by CPCNH customers, unanticipated energy efficiency gains, new or improved technologies, as well as local, state, and national economic conditions.

Opt-Out Risk (Customer Attrition Risk)

Opt-out or attrition risk occurs when customers opt-out of the program by choosing a different supplier. Opt-out risk may be realized by any condition or event that creates uncertainty within, or a diminution of, CPCNH's customer base. Opt-out risk is manifested in two separate ways:

1. First, the ability of customers to return to bundled service from NH utilities creates uncertainty in CPCNH's revenue stream, which is critical for funding EPRM goals



2. Second, customer opt-out risk can potentially challenge the ability of CPCNH to prudently plan for, and cost effectively implement, long-term resource commitments made on behalf of its member communities and the customers it serves

Counterparty Credit Risk

Performance and credit risk refers to the inability or unwillingness of a counterparty to perform according to its contractual obligations or to extend credit. Failure to perform may arise if an energy supplier fails to deliver energy as agreed. There are different general performance and credit risk scenarios:

- ⚡ Counterparties and wholesale suppliers may fail to deliver energy or environmental attributes, requiring CPCNH to purchase replacement products elsewhere, possibly at a higher cost.
- ⚡ Counterparties may fail to take delivery of energy or environmental attributes sold to them, necessitating a quick resale of the product elsewhere, possibly at a lower price.
- ⚡ Counterparties and suppliers may refuse to extend credit to CPCNH, possibly resulting in higher collateral posting costs impacting CPCNH's cash and bank lines of credit.

During the normal course of business CPCNH is exposed to counterparty risk from energy suppliers. In this context, an important subcategory of credit risk is concentration risk. When a portfolio of positions and resources is concentrated in one or a very few counterparties, sources, or locations, it becomes more likely that major losses will be sustained in the event of non-performance by a counterparty or supplier or as a result of price fluctuations at one location.

Liquidity and Collateral Risk

During the normal course of business CPCNH is exposed to liquidity risk to fund operations, meet ISO-NE collateral requirements and potential collateral obligations from bilateral power purchases.

Liquidity Risk is the risk that CPCNH will be unable to meet its financial obligations. This can be caused by unexpected financial events and/or inaccurate pro forma calculations, rate analysis, and debt analysis. Some unexpected financial events impacting liquidity could include:

- ⚡ Breach of CPCNH credit covenants or thresholds. Any breaches of existing and future credit covenants on CPCNH agreements could result in the withdrawal of CPCNH's line of credit or trigger the requirement to post collateral.
- ⚡ Calls for collateral from the ISO-NE or CPCNH's counterparties based on terms of transacting agreements.



- ⚡ CPCNH may be the subject of legal or other claims arising from the normal course of business. Payment of a claim by CPCNH could reduce CPCNH's liquidity if the cause of loss is not covered by CPCNH's insurance policies.

CPCNH will use industry best practices to manage potentially collateral posting and liquidity risk to the energy suppliers (i.e., requirement to post collateral per contractual terms).

Regulatory and Legislative Risk

CPCNH is subject to an evolving legal and regulatory landscape. Regulatory risk encompasses risks associated with shifting state and federal regulatory policies, rules, and regulations that could negatively impact CPCNH. Legislative risk is associated with actions by federal and state legislative bodies, such as any adverse changes or requirements that may infringe on CPCNH's autonomy, increase its costs, impact its customer base, or otherwise negatively impact CPCNH's ability to fulfill its mission.

Operational Risk

Operational risk is the uncertainty of CPCNH's financial performance due to weaknesses in the quality, scope, content, or execution of human resources, technical resources, and/or operating procedures within CPCNH. Operational risk includes the potential for:

- ⚡ Organizational structure that is ineffective in addressing risk (i.e., the lack of sufficient authority to make and execute decisions, inadequate supervision, ineffective internal checks and balances, incomplete, inaccurate, and untimely forecasts or reporting, etc.).
- ⚡ Absence, shortage or loss of key personnel or lack of cross functional training.
- ⚡ Lack or failure of facilities, equipment, systems, and tools such as computers, software, communications links and data services.
- ⚡ Exposure to litigation or sanctions resulting from violating laws and regulations, not meeting contractual obligations, failure to address legal issues and/or receive competent legal advice, not drafting and analyzing contracts effectively, etc.
- ⚡ Errors or omissions in the conduct of business, including failure to execute transactions, violation of guidelines and directives, etc.
- ⚡ Model risk that results in an inaccurate or incomplete representation of CPCNH's actual or forecast financial performance due to deficiencies in models and/or information systems used to capture all transactions.

Reputation Risk

Reputation risk is the potential that CPCNH's reputation is harmed, causing members or customers to opt-out of CPCNH service and migrate back to NH utilities. It includes the potential for energy market participants to view CPCNH as an



untrustworthy business partner, thus reducing the pool of potential counterparties and/or having counterparties apply a CPCNH-specific risk premium to pricing.

Risk Strategy & Parameters

An important aspect of implementing an overall energy risk management policy is the development of related strategies to mitigate all of the related risks associated with energy transacting activities. The key strategies of CPCNH are outlined below.

Portfolio Strategy & Cost Allocation

The portfolio management process involves (1) continuous monitoring and modeling of market developments, customer load commitments, rates, attrition, and any offsetting hedge positions, (2) entering into and out of transactions with counterparties to minimize the cost and risk of providing all-requirements electricity, and (3) scheduling load and resources into the ISO-NE wholesale market, and subsequently settling financial obligations with the market operator and counterparties after the conclusion of each trading day.

To minimize the administrative and transaction costs associated with portfolio management, CPCNH will manage one whole portfolio to meet the combined electricity requirements of its Member CPAs. Probabilistic “at-risk” metrics will be used to inform portfolio hedging decisions to manage risk in the context of NH and ISO-NE markets, within the limits set in this policy and the EPRM Regulations. Structures will be put in place to address the accounting of cost to serve by CPA, timing of launch, and customer class.

Portfolio Diversification

CPCNH will strive to develop and maintain a diversified portfolio of physical and financial energy contracts to manage wholesale market risk exposures in an optimal fashion by incorporating a variety of fuel types, contract and pricing terms, counterparties, geographic locations, and types of products and preferred sources (e.g., renewables and battery storage assets, local generators, customer-generators, demand response programs, etc.).

Counterparty Diversification & Credit Exposure

To the extent practical, CPCNH will strive to create a diversified portfolio with multiple counterparties to diversify counterparty exposure.

Pursuant to master enabling agreements approved by the Board, the RMC may authorize entering into transactions with counterparties that possess at least a BBB- (or equivalent investment grade rating) by a nationally recognized statistical rating organization (NRSRO), and with counterparties rated below BBB- pending collateral, parental guarantees, or mutual concessions in credit requirement negotiations.

Effective counterparty management and credit analysis is essential to mitigate counterparty risks from wholesale market transactions. The market value, credit exposure and potential collateral requirements will be monitored using Mark-to-



Market (MtM), Potential Future Exposure, and Collateral Call risk metrics. Methodologies for these metrics and objectives are set forth in the EPRM Regulations.

Default Rate Benchmarking

CPCNH's active portfolio management strategy involves taking certain risks relative to benchmark procurement practices from NH utilities. As of December 2022:

- ✦ Eversource, Unitil, and Liberty Utilities set default supply rates every six months after entering into all-requirements contracts with suppliers, with fixed prices that include a premium to cover the volumetric risk that suppliers are assuming by agreeing to serve customers.
- ✦ The New Hampshire Electric Cooperative actively manages its portfolio, and therefore retains and manages the associated risk of supplying customers itself.

CPCNH will monitor competitor procurement practices and modify its procurement strategy as warranted. Certain key risks for CPCNH in this context are that:

- ✦ Any net open positions that CPCNH has relative to the benchmark procurement practice of the utility in question represents an active risk position for CPCNH.
- ✦ CPCNH will also be exposed to volumetric risk from higher/lower loads than expected volumes and covariance with market prices.

Reporting Requirements

A vital element of this Policy is the regular identification, measurement, and communication of risk. To effectively communicate risk, all risk management activities must be monitored on a frequent basis using risk measurement methodologies that quantify the risks associated with CPCNH's procurement-related business activities and performance relative to goals.

CPCNH measures and updates its risks using a variety of tools that model programmatic financial projections, market exposure and risk metrics, as well as through short term budget updates.

CPCNH seeks to manage financial exposure to higher-volatility spot market wholesale electricity using hedges. Hedge execution and/or adjustments decisions are supported through timely and automated reporting that presents essential factors behind CPCNH success such as headroom and attrition potential.

The following items are measured, monitored, and reported on at least a weekly basis, or as warranted given daily monitoring of market conditions, with monthly delivery of a reporting packet to RMC:

1. **Open Position (MWh):** net open positions for all energy, capacity, and environmental products.
2. **Open Position (\$):** the notional dollar and/or probabilistic-based risk exposure of open portfolio positions at current market prices.



3. **Expected Gross Margins:** expected GM based on current market prices
4. **Expected Cost of Supply:** marking to market is the process of determining the current value of contracted supply
5. **Expected Reserve Levels:** to ensure reserves meet the targeted thresholds as outlined in CPCNH's Financial Reserve Policy.

Risk measurement methodologies shall be re-evaluated on a periodic basis to ensure CPCNH adjusts its methods to reflect the evolving competitive landscape.

Risk Metrics

Portfolio management decisions are supported by risk metrics derived from simulations of future market conditions, loads, and other material risk drivers for the portfolio. The following probabilistic risk metrics are regularly calculated and reported:

1. **Gross Margin at Risk:** Potential adverse changes in net revenues for a given time period and confidence level.
2. **Rates at Risk:** Potential adverse changes to CPCNH's rate competitiveness, relative to the four default utility supply rates, for a given time period and confidence level.
3. **Reserve Levels at Risk:** Potential adverse change in reserves for a given time period and confidence level.
4. **Potential Future Exposure for counterparty credit risk:** Maximum Mark-to-market counterparty exposures for a given time period and confidence level.
5. **Potential Collateral Exposure:** Maximum of collateral that CPCNH may have to post for a given time period and time horizon with a given counterparty.

Stress tests will also be used to understand the potential variability in CPCNH's projected procurement costs, and resulting retail rate impacts and competitive positioning, associated with adverse scenarios of material risk drivers.

Position Limits (Hedge Ratios)

While relying on risk metrics to guide procurement decisions over time, CPCNH will purchase energy on a forward basis to hedge against the risk of open load positions within the minimum and maximum hedge ratios defined herein.

- ⚡ Hedge ratios are fixed price purchases and supply resources divided by forecasted load (i.e., covered positions expressed as a percentage of load), as measured over time.
- ⚡ Maintaining minimum and maximum hedge ratios is intended as a framework to manage market risk, by limiting CPCNH's net open exposure while allowing flexibility in procurement sufficient to maintain competitive rates.



- ⚡ The objective in allowing such flexibility is to develop a procurement strategy focused on hedging against the risk of open load positions, so as to mitigate exposure to market price volatility and other pricing risk.

CPCNH's hedge ratios shall be a function of the rate setting method, as follows:

1. If rate setting is based upon a discount to utility tariff model, the following table of hedge ratios shall apply:

Months to Delivery		Discount to Utility (Auction Based Rates)	
		Minimum	Maximum
0+	3	60%	125%
3+	6	50%	110%
6+	9	0%	70%
9+	12	0%	70%
12+	24	0%	50%
24+ *	36	0%	50%

*Hedging shall not extend beyond 36 months from the date that CPCNH first begins providing electricity service to CPA customers, until one year from that date.

2. If rate setting is based upon a cost of service or fixed price model, the following table of hedge ratios shall apply:

Months to Delivery *		Cost of Service ("Fixed Price" Rates)	
		Minimum	Maximum
0+	3	80%	125%
3+	6	50%	110%
6+	9	40%	90%
9+	12	40%	90%
12+	18	30%	90%
18+	24	20%	90%
24+ *	36	20%	90%

* Hedging shall not extend beyond 36 months from the date that CPCNH first begins providing electricity service to CPA customers, until one year from that date.



Risk Control Principles

Control Principles

CPCNH will strive to conduct its energy risk management activities following best practices of the wholesale electric industry. A balance between costs and benefits will determine most effective controls, which are generally expected to meet the requirements of generally accepted auditing standards (GAAS), financial institutions and credit rating agencies. The processes to identify, monitor, control and track risk exposure will follow these principles:

1. Delegation of authority that is commensurate with responsibility and capability, and relevant training to ensure adequate knowledge to operate in and comply with rules associated with the markets in which they transact (e.g., ISO-NE).
2. Contract origination, commercial approval, legal review, invoice validation, and transaction auditing shall be performed by separate staff or contractor for any single transaction. No single staff member shall perform all these functions on any transaction.
3. Defining authorized products and transactions.
4. Defining proper trade capture process for executing power supply contracts.
5. Complete and precise capture of transaction data.
6. Meaningful summarization and accurate reporting of transactions and other activity at regular intervals.
7. Consultation with legal counsel on all legal issues related to this Policy.
8. Timely and accurate risk and performance measurement at regular intervals.
9. Compliance reviews to ensure that this Policy and the EPRM Regulations are adhered to, with specific guidelines for resolving instances of noncompliance.
10. Active participation by senior management in risk management processes.
11. CPCNH and service providers relied upon to provide for operations will be appropriately subject to regular audits.

The RMC is responsible for ensuring that the EPRM Regulations provide for the controls required to implement this Policy. The required controls shall include all customary and usual business practices designed to (1) prevent errors and improprieties, (2) ensure accurate and timely reporting of results of operations and other information pertinent to management, and (3) facilitate attainment of business objectives.

Transaction Structures and Authorization

CPCNH will transact in certain types of physical and financial products to mitigate various risks outlined in this policy. CPCNH shall have authorization to transact the following products under the limits set by this Policy and the EPRM Regulations:



- ⚡ Physical power (e.g., Internal Bilateral Transactions (IBTs), physical tolls, etc.).
- ⚡ Financial power or gas swap or futures (e.g., fixed-for-floating swaps, basis swaps, exchange-traded futures contract).
- ⚡ Financial power or gas options.
- ⚡ Financial Transmission Rights (FTR) obligations.
- ⚡ Financial Transmission Rights (FTR) options.
- ⚡ Environmental products to meet the Renewable Portfolio Standard (RPS).
- ⚡ Products to hedge ISO-NE non-energy costs (Capacity, Ancillaries, etc.).

The RMC is responsible for ensuring that the EPRM Regulations authorize transaction types in accordance with this policy.

Segregation of Duties

CPCNH will ensure that integrated but separate responsibilities are in place to control risks with clearly defined roles and responsibilities for the Front Office, Middle Office, and Back Office. Those responsibilities will be delegated to third parties until CPCNH assumes some or all of those functions. CPCNH will maintain oversight functions of these defined roles and ensure they are performed in compliance with this policy.

Conflicts of Interest

CPCNH Directors, Officers, Alternates, Employees, Volunteers, consultants, and any other person acting for or on behalf of CPCNH — except for employees of Members who are not Directors or Alternates, acting in a ministerial (i.e., non-decisional) capacity as part of their public employment — are bound by the terms of CPCNH's Conflict of Interest Policy, unless otherwise noted in contractual agreements between CPCNH and said parties.

CPCNH employees engaged in energy supply resource transactions, counterparty credit evaluation or oversight of the foregoing, are barred from directly investing in or otherwise having a direct financial interest in any company with whom CPCNH has consummated energy or related purchases or sales within the last two years.

Roles, Responsibilities & Organization

This section defines the overall roles and responsibilities for implementation of this EPRM Policy. The coordinated efforts of personnel across several divisions are required to successfully implement CPCNH's risk management program. The basic roles and responsibilities of each organizational function are outlined below.

CPCNH Board of Directors

The Board has the ultimate oversight over CPCNH operations and is responsible for establishing an organizational-wide framework for risk management and ensuring



that risk management results are achieved as planned. The Board shall approve and establish organizational policies for risk management and delegate to the CEO the responsibility for implementing the EPRM Policy. With responsibility for the ultimate oversight over CPCNH operations, the Board shall be responsible to ensure that risk management results are achieved in accordance with this policy.

Chief Executive Officer or Board Chair

The CEO (or alternatively hereafter, in the absence of the CEO, the Board Chair) has specific and overall responsibilities for implementing the EPRM Policy and for communicating risk management issues to the Board. The CEO shall be responsible for delegating specific duties for carrying out the policy and ensuring compliance with it by all affected CPCNH employees or contractors. The Board acknowledges that the CEO may delegate certain functions to the RMC, where delegation is ratified by this policy.

Risk Management Committee (RMC)

The RMC is responsible for maintaining and overseeing compliance to this policy. The primary responsibility of the RMC is to ensure that the procurement activities carried out on behalf of CPCNH are executed within the guidelines of this Policy and are consistent with the Member's goals. RMC is responsible for:

- ✦ Evaluating and voting on all proposed hedging recommendations.
- ✦ Determining if changes in the hedging strategy, or changes to this policy, are warranted.
- ✦ Understanding the financial and risk models relied upon to support hedging decisions.
- ✦ Understanding and reviewing the risk reports used to monitor for compliance with this policy.
- ✦ Reviewing the effectiveness of all hedging and procurement activities.
- ✦ Reviewing any reported violations to this policy.

Front Office

CPCNH's Front Office role has the responsibility for managing CPCNH's market price risk associated with Member CPA load serving requirements. The Front Office is responsible for:

1. Analyzing fundamental factors affecting load and supply, and net position.
2. Analyzing CPCNH's net position's exposure to market price risk.
3. Communicating results to the RMC and proposing transactions within the limits of this policy to balance those positions.
4. Recommending additional transaction types for approval by RMC, pursuant to the EPRM Regulations.



5. Negotiating the price and structure of hedging transactions with counterparties.
6. Transacting with counterparties only after approval from the RMC or within delegated limits approved by the RMC, and subject to those transactions:
 - Being for an approved product and executed with a counterparty with an approved credit limit.
 - Being duly authorized, within risk limits, and not causing either aggregate or individual counterparty credit limits to be exceeded.
 - Utilizing contract terms intended to minimize the risk of loss if a counterparty fails to deliver, take delivery, or pay for transactions provided.
 - Being executed and documented following standardized procedures.
 - Complying with applicable laws, regulations, and court orders.

CPCNH's Front Office will maintain a list of authorized personnel approved to transact by the RMC. Any requested changes to the list of authorized personnel will be subject to RMC approval.

Middle Office

CPCNH Middle Office will provide independent oversight of the Front Office functions and adherence to this policy. The Middle Office is responsible for:

- ✦ Providing independent oversight of load, supply, hedge positions, and net position.
- ✦ Maintaining the list of approved products.
- ✦ Ensuring accurate market curves used in valuation and risk management.
- ✦ Overseeing and validating the risk management models including prices, price volatilities and price correlations used in price simulations.
- ✦ Ensuring accurate load forecasts and load simulations.
- ✦ Calculating Counterparty Credit Exposure.
- ✦ Preparing position and risk reports for and providing feedback to the RMC.

Back Office

CPCNH Back Office Functions will provide the administrative activities to support the execution of Front Office transactions. The Back Office will provide a wide range of supporting activities necessary to settle transactions with counterparties and support Middle Office risk control responsibilities consistent with this policy.

The Back Office has the responsibility for ensuring that transactions with counterparties meet all the terms intended by the Front Office. Primary responsibilities are:

- ✦ Confirmation of all transactions and reconciliation of differences with the counterparty.



- ✦ For exchange traded products through a clearing broker, the Back Office should balance daily with the broker statement.
- ✦ Reviewing transactions adherence to approved limits.
- ✦ Ensuring all trades have been entered into the system of record.
- ✦ Monitoring Counterparty Credit Exposure and report mark-to-market exposures relative to contractual contract requirements.

Authorities, Delegations, Limits, and Prohibitions

All executed transactions shall conform to the policies set forth herein. It shall be the responsibility of the RMC, with approval of the CEO, to establish appropriate individual transacting authority limits for the various personnel and contractors involved in the Front Office function in the EPRM Regulations.

All staff and contractors with designated responsibility for Middle Office or Back Office functions are strictly prohibited from executing any wholesale transactions. The Middle Office shall be responsible for informing counterparties of such approved authorizations, including transacting authority and restrictions, along with product types and/or term and dollar limits.

Policy Compliance

Compliance Exceptions

Compliance exceptions are actions which violate the authority limits or directives set forth herein or in the EPRM Regulations as developed and adopted pursuant hereto by the RMC.

Reporting of Exceptions

Exceptions to mandated policies, procedures and regulations shall be reported to the RMC within two business days after they are identified, and the Front Office shall prepare a full report for review and discussion at the next RMC meeting.

Independent Performance Evaluations

Compliance with this EPRM Policy, and with the specific requirements of the EPRM Regulations instituted pursuant to this policy, shall be subject to examination by CPCNH's independent auditors or by such other reviewers that CPCNH may appoint to evaluate the effectiveness of mandated controls. Pursuant to CPCNH's Joint Powers Agreement:

1. The RMC shall commission an independent agent to conduct and deliver to the Board and to the Members at the Annual Meeting an evaluation of the operational performance of CPCNH relative to the Enterprise Risk Management Policy (including this EPRM Policy) and as otherwise requested by the Board.



2. CPCNH shall budget an amount necessary for the evaluation as determined by the RMC, which shall cause to be hired a firm or individual that has no other direct or indirect business relationship with CPCNH.
3. The evaluation shall be conducted at least once every two years, starting within three years of the initial provision of electricity supply to a Member CPA.
4. No individual or firm may be hired to conduct more than two consecutive evaluations.

Reserves

Reserve levels shall be reviewed monthly by the Finance Committee.

Internal Systems, Tools, and Staff Training

CPCNH employees who are authorized to perform energy risk management functions on behalf of CPCNH shall be provided with the necessary systems and tools to support all risk management processes.

Commensurate to the level of portfolio risk management functions performed by CPCNH staff:

- ⚡ Provision shall be made in the budget for the acquisition and maintenance of computer systems, software, communications equipment, data services and other analytical, measurement and reporting tools.
- ⚡ Provision shall also be made in the budget for managers and staff to attend seminars and courses in risk management on a regular basis.



RETAIL RATES POLICY

Purpose

This Retail Rates Policy outlines the requirements, objectives, rate setting authorities, rate setting processes, Member rate product and Discretionary Reserve adder election procedures, and different types of rate structures, products, and content of the Community Power Coalition of New Hampshire (CPCNH).

Requirements and Objectives

Member Electric Aggregation Plans typically require the CPA to offer default rates to one or more customer groups that are lower than or competitive with utility default rates at the time of launch. CPCNH shall only launch new Member CPAs subject to meeting any such requirements.

Thereafter, CPCNH will strive to maintain default service rates that are lower than or competitive with utility default service rates on average and over time — acknowledging that utility rates may dip below CPCNH rates on occasion, for short periods of time, due to market volatility and other factors.

Rates will be set at a level such that revenues from CPA customers are projected to meet or exceed CPCNH's ongoing operating and capital costs, inclusive of financial reserve targets, and other requirements set by the Board.

- ⚡ Rate setting will be performed in concert with hedge decision making, as different rate structures may impact the appropriate hedging approach, in accordance with the procedures and methodologies summarized in the Energy Portfolio Risk Management Regulations (EPRM Regulations).
- ⚡ CPCNH shall strive to provide innovative rate structures and offers that maximize choice and create value for CPA customers and for the Members, while aligning to the extent beneficial, allowable, and practical within and across CPA service territories.
- ⚡ Changes to CPCNH default service rates shall be set and publicly noticed at least 30 days in advance of any rate change.
- ⚡ Pursuant to RSA 53-E, CPCNH rate setting shall ensure the equitable treatment of all classes of customers, subject to any differences arising from varying opportunities, tariffs, and arrangements between different electric distribution utilities in their respective franchise territories when setting default service rates.
- ⚡ Pursuant to Puc 2204.05, CPCNH shall provide for the proper advance notice of rates to new customers, and update customer rate information whenever it changes, but no less frequently than once per month, on the New Hampshire Department of Energy's Shopping Comparison website.

CPCNH shall comply with all other applicable statutory and rule requirements.



Electric Assistance Program Discounts

Income eligible households can qualify for discounts on their electric bills under the Electric Assistance Program. CPCNH will support income eligible customers who enroll in the Electric Assistance Program to receive their discount. Discounts are funded by all ratepayers as part of the System Benefits Charge, which is charged to all customers and collected by the distribution utilities. At present, the Public Utilities Commission and utilities only support provision of the discount to individual customers when the customer's electricity supply charges are billed through the distribution utility. CPCNH will therefore elect utility consolidated billing to bill all customer accounts known to be enrolled in the Electric Assistance Program.

Policy Amendments

The Board must approve amendments to this Policy. Advance written notice of Board meetings at which changes to this Policy are proposed shall be sent to the principal executive officers of each Member by the CEO. Subsequently, prompt written notice of the effective date of such amendment shall be sent to the principal executive officers of each Member by the CEO.

Default Rate Setting Process

The CEO, in consultation with the Risk Management Committee and the Finance Committee — or in the absence of the CEO, the Risk Management Committee, in consultation with the Finance Committee — shall recommend default rates to the Board for approval with sufficient notice to be implemented commensurate with regulated default utility rate changes, or otherwise as deemed necessary to support the requirements and objectives of this Policy.

The Risk Management Committee and Finance Committee shall each convene at least one public meeting to provide for deliberation and public input regarding changes to default rates.

Advance written notice of Board meetings at which changes to default rates are proposed shall be sent to the principal executive officers of each Member by the CEO. Subsequently, prompt written notice of approved default rate changes shall be sent to the principal executive officers of each Member by the CEO.

Member Elections of Rate Products and Discretionary Reserve Adders

Pursuant to this policy, individual Members will be provided the opportunity to elect to offer different rate products on a default and opt-in basis and to elect to adjust their CPA's default and opt-in rates to include an adder for the accrual and use of Discretionary Reserves, as provided for under the Financial Reserves Policy.

Any such elections of rate products and/or Discretionary Reserve adders must be approved by both the CEO and the Member's governing body, or the Member's Representative or other individual authorized pursuant to a delegation of such



authority by the Member's governing body or approved Electric Aggregation Plan, in advance of or during the meeting at which changes to default rates are approved by the Board.

Emergency Default Rate Adjustment Authority

This Policy acknowledges that, while rate structures or levels may be expected to persist for an expressed and/or intended period of time, unexpected events may warrant an immediate indefinite or temporary rate adjustment. Sound portfolio risk management will in most cases prevent the necessity of such action. However, risk factors such as market price risk may lead to a situation for such action to mitigate cash reserve constraints.

The Board must approve emergency rate adjustments as necessary to maintain the financial integrity of CPCNH. Prompt written notice of emergency rate adjustments shall be sent to the principal executive officers of each Member by the CEO.

Rate Structure Types

CPCNH may offer CPA customers the following rate structures:

Discount to Utility Tariff Rates

A rate structure that is discounted relative to utility rates ensures customer savings. This rate structure mitigates attrition risk. It will be based upon an expressed percentage discount to the rates offered by a customer's incumbent utility.

Fixed Price Cost of Service Based Rates

A rate structure that is based upon a budget build-up of cost of service, and/or another method whereby CPCNH offers a defined fixed price rate, is different than a discount to a utility rate. While it may be lower than a utility rate at inception and/or intent, a fixed rate could move above the utility rate due to wholesale market price movements, non-energy cost changes and/or regulatory changes impacting prices.

Time of Use (TOU) Rates

Time of use rates are rates that employ different pricing based on periods of time during a given day (e.g., daytime, nighttime) and/or weekday (e.g., weekday, weekend). Time of use rates incent customers to consume electricity at times that are lower cost and/or more environmentally friendly.

Net Metering Rates

Net metering rates allow a customer to benefit from behind-the-meter generation and possibly electricity storage capabilities through periodic meter reads where, at the end of the billing period the customer is charged for their net positive load (consumption) or if they have net exports to the grid at the end of the billing period they are either: 1) credited for those net exports to the grid on a kWh basis, such that they can carry forward a negative kWh balance to offset future consumption, or 2) get paid a rate for the surplus kWh exported to the grid and zero out their net kWh



usage. This rate construct is typically indifferent to the time of behind-the-meter generation, production, or customer consumption, but may be provided with TOU rates.

Generation in excess of a customer's usage each month is accounted for as a reduction to the CPA's wholesale load obligations by the utility, net of any applicable line loss adjustments, as approved by the Public Utilities Commission.

Customer-generators will continue to receive any non-supply related components (e.g., transmission and distribution credits) directly from their utility, as specified under the terms of their applicable net energy metering (NEM) tariff.

Index Plus Adder Rates (Pass-Through)

Index rates take hourly (or, as contemplative of technology that may allow, subhourly) consumption and multiply a loss adjustment factor and an ISO-NE New Hampshire Zone power price, plus a CPCNH administrative adder, to arrive at an effective monthly cost based predominantly on market-based prices. Index rates should typically not be hedged, and the customer should bear all price risk under such arrangement, provided, however, that a collar or sleeve product that sets an upper and lower limit to such index prices for some period of time may be available for a price that covers the cost and risk of such a hedge. Demand flexibility options may be priced and included in the product.

Fixed & Index Blend and/or Variable Term Rates

Likely of particular interest to non-residential customers, a Fixed & Index blended rate would be a combination of a fixed price rate as expressed above and an index rate as expressed above. The offering could be fixed to 50/50 or some other risk sharing split of the fixed and index portion. CPCNH should only hedge the fixed portion. Non-residential customers may also be interested in such rate for varying term lengths, such as for 12- or 24-month periods, which may be subject to meeting certain contractual, creditworthiness, and/or collateral posting requirements. Demand flexibility options may be priced and included in the product.

Other Rate Structures

This policy precludes CPCNH from offering rate structures not expressly authorized herein, such as tiered rate structures (progressive or regressive), total dollar "all-you-can-consume" fixed cost offers, and rate structures that utilize a demand charge. Board approval is required to authorize additional rate structures.

Rate Product Types and Approval Authorities

CPCNH is authorized to provide or offer CPA customers the following rate products:

Default Service

Default Service shall be the default rates selected to offer CPA customers in each utility territory, priced relative to the prevailing utility default rate, and, if practical,



based upon the same or a comparable structure as the prevailing utility rate structure, as approved by the Board.

Member Default Service Election

The Member Default Service Election is an exception to the Default Service Offer that would extend a default rate to the residents and/or businesses of a Member CPA different than other communities or CPCNH customers at large. Community offers may be rates that are higher or lower than the Default Service Offer, to reflect a different product content (e.g., higher or lower renewable and/or carbon-free content).

CPCNH shall provide Members with a schedule by which to request Community Default Service Offer Elections, which are subject to Board approval in consultation with the Risk Management Committee.

Local Power Offer

The Local Power Offer acknowledges and integrates the rate impact of local generation projects (e.g., a local community solar project), community investment programs (e.g., investment in EV charging stations), or other programs or projects benefiting a targeted community.

Subject to the terms of a Project Contract, or Board approval in the absence of governing terms in a Project Contract, the Local Power offer may extend a default or custom rate to the residents and/or businesses of a Member CPA different than other communities and customers.

Alternate Customer Rate Options (Opt-Up or Opt-Down)

Customers may select an optional rate extended by CPCNH through expressed choice of an alternative rate offer instead of Default Service. The option is held by the customer and CPCNH shall not move customers to an alternative rate without customer consent.

Alternative Customer Rate Options will be subject to Board approval at the same time as Default Service rates. Alternative Customer Rate Options shall be offered under the same rate structure as Default Service and may additionally be offered as a time-of-use rate.

Net Energy Metering Offer

CPCNH will provide new rates and terms that compensate or credit participating customer-generators for the electricity supply component of their net metered surplus generation.

For group net metering, to the extent CPA default rates are lower than utility default rates, it may be most advantageous for the host customer-generator to remain a utility default service customer, while the other group members may enroll in CPA supply and continue to receive on-bill credits for their participation in the group.



Additionally, CPCNH will pursue additional development of NEM rates and programmatic enhancements that benefit and encourage customers to adopt distributed generation.

Net Metering terms, conditions, and rates for compensating and crediting different types of NEM customer generators will be set by the Board and fully disclosed to all prospective NEM customers through the program's enrollment notification process and thereafter.

Non-Residential Additional and Custom Offers (Opt-In)

CPCNH may offer non-residential customers Index Plus Adder (Pass-Through) Rates, Fixed & Index Blend Rates, and/or Variable Term Rates thereof. Demand flexibility options may be priced and included in the product, to encourage and incentivize customers to shape their electricity usage patterns, including for the objective of lowering peak charges.

Rate Product Content and Member Elections

CPCNH shall offer the following rate products and contents:

PRODUCT	CONTENT *	MEMBER ELECTIONS
Granite Basic	Minimum RPS Content (23.4%)	Default, opt-down/in, or N/A**
Granite Plus	33% Renewable or Carbon Free	Default, opt-up/in, or N/A**
Clean 50	50% Renewable or Carbon Free	Opt-up/in or N/A
Clean 100	100% Renewable or Carbon Free	Opt-up/in or N/A

* Specified percentages are minimums (floors).

** One of these two products must be offered as Default Service

Member Elections

Each Member shall be provided the opportunity to elect whether to offer "Granite Basic" or "Granite Plus" as a default product, by customer class or as otherwise determined by the Board and will be advised on the cost implications of such elections by the CEO. Absent any election, "Granite Basic" shall be the default product.

Each Member that elects "Granite Plus" as their default product may also elect to offer "Granite Basic" as an opt-down choice for customers seeking the most affordable rate product. Absent any election, "Granite Basic" shall be offered as an opt-down/in product.

Each Member shall be provided the opportunity to elect whether to offer "Clean 50" and/or "Clean 100" as opt-up/in products. Absent any election, "Clean 50" and "Clean 100" shall be offered as opt-up/in products.



Product Content

Carbon-free content is power that is reported as carbon-free on an Environmental Disclosure label pursuant to Puc rule 2205.11.

Renewable content that is in addition to the minimum requirements of the New Hampshire Renewable Portfolio Standard shall be provided by Renewable Energy Credits pursuant to RSA 362-F, with a preference for sourcing Renewable Energy Credits from in-state generation.



FINANCIAL RESERVES POLICY

Purpose

This Financial Reserves Policy establishes minimum, target, and maximum levels of cash reserves that will be jointly accrued, used, maintained, and monitored by CPCNH, on behalf of all Members (“Joint Reserves”), and provides for the collection of Joint Reserves in excess of the maximum target joint reserve level to be applied at the discretion of individual Members (“Excess Reserves”). Separately, the policy allows for the collection and use of additional reserves at the sole discretion of each individual Member (“Discretionary Reserves”).

Joint Reserves, Excess Reserves, and Discretionary Reserves are collectively referred to herein as “reserves”.

Objectives

Reserves are accrued and maintained by CPCNH on behalf of and for the benefit of Member CPAs. The establishment of Joint Reserves, pursuant to this policy, is intended to secure the following objectives:

- 1. Protect against emergency default rate adjustments.** Reserves can help minimize the risk that rates, after being set for a given period, would need to be quickly adjusted upwards due to market volatility (power supply shocks), weather impacts on demands, economic downturns, emergencies (such as natural disasters), and regulatory changes.
- 2. Strive to adjust rates gradually over time.** In a rising price environment, reserves may be used to spread out the impact of price increases on customers over multiple rate setting periods. For example, if market prices are expected to increase over the medium-term, deciding to collect additional reserves over the near-term (when prices are lower) would later allow more funds to be used to offset rate increases in later periods, thereby adjusting rates more gradually and predictably for customers over time.
- 3. Ensure cash availability when net revenues are unavailable.** To bridge seasonal times of the year that normally see temporary low or negative net revenues, which would otherwise require CPCNH to have sufficient credit to maintain liquidity.
- 4. Lower and avoid interest expenses.** To avoid interest expense to cover short-term cash shortfalls, first by accruing reserves sufficient to execute a credit facility for CPCNH, and subsequently by having sufficient reserves to use in place of credit or debt instruments. CPCNH intends to negotiate and directly execute a credit facility on behalf of Member CPAs within the first year of operations.
- 5. Enable the development of local energy projects.** Project developers typically seek to contract with entities that are willing and able to commit to paying for electricity over a 10 year or longer period. The accrual of financial reserves



hereunder is intended to provide CPCNH with the financial stability required to be a creditworthy counterparty for the purposes of soliciting and entering into long-term contracts to develop local energy projects on behalf of participating Members.

- 6. Achieve a credit rating and maintain good standing with rating agencies.** After accruing sufficient reserves, CPCNH can apply for a credit rating, which would allow power to be secured at lower costs, that is, without posting credit enhancements, for the benefit of all Member CPAs. CPCNH intends to achieve and maintain strong financial performance metrics sufficient to receive an investment-grade credit rating within three-to-five years after launch.
- 7. Manage risks identified in the Energy Portfolio Risk Management Policy,** such as those associated with market prices, counterparty credit and performance, load volumes and net revenues, gross margin levels, liquidity and collateral requirements, regulatory and legislative policy changes, and gross margin levels.
- 8. Establish clear expectations between the Board of Directors, staff, contractors, and suppliers of electricity to CPCNH.** A formal reserve policy creates a shared understanding of the proper level and use of reserves.

Rights of Members to Reserve Contributions

Member Reserve & Cost Allocation Accounting

Reserve contributions shall be tracked and accounted for on behalf of each Member CPA. For each Member, reserves accrued shall be adjusted to reflect the equitable allocation of costs between Members pursuant to Cost Sharing Agreements.

To the extent that provisions in this policy are inconsistent with the Cost Sharing Agreements entered into by Members, the Cost Sharing Agreements shall control.

Member Accrual and Usage of Discretionary & Excess Reserves

Individual Members that request to adjust their CPA's default and opt-in rates to include an adder for the accrual of Discretionary Reserves, pursuant to the Rates Policy, will accrue reserves that are separate from Joint Reserves. Such reserves shall be tracked, accounted for, and transferred to the individual Member or otherwise applied or held by CPCNH as directed by the individual Member's governing body.

Joint Reserves that accrue in excess of the Maximum Operating Reserve Level hereunder are Excess Reserves, which shall be allocated back to Members for use as Discretionary Reserves.

Members may use such Excess and Discretionary Reserves to invest in developing new local energy projects, or to fund programs benefiting their customers specifically, or for other uses as determined solely by each individual Member.



Member Reserve Settlements Upon Withdrawal or Termination

If a Member withdraws from CPCNH or is involuntarily terminated, the balance of any reserves accrued by the Member will be distributed or applied as directed by the Member's governing body, after satisfaction of the Member's contractual obligations with CPCNH and in accordance with any applicable law and regulation.

Joint Reserve Target Levels Established

Joint reserves will be used to honor financial commitments and will be used to cover the operations of CPCNH over a number of days in the event of emergencies or other significant unforeseen events, amongst other goals outlined in this policy.

For purposes of this policy, Joint Reserve levels are defined as a projected or estimated amount accrued at the conclusion of a forecasted period.

Three target levels of Joint Reserves are defined below, which shall be in addition to any financial covenants entered into by CPCNH, relative to the forecasted expense of operations as reflected in CPCNH's budget:

1. Minimum Operating Reserve: reserves sufficient to cover 60 days of operations.
2. Target Operating Reserve: reserves sufficient to cover 120 days of operations.
3. Maximum Operating Reserve: reserves sufficient to cover 180 days of operations.

Rates shall be set to accrue Joint Reserves sufficient to meet the target levels on a forecasted basis, as follows:

1. To reach the Minimum Operating Reserve level within 3 years.
2. To reach the Target Operating Reserve within 5 years.
3. The Maximum Reserve level would provide strong protections against any significant adverse events and represents a longer-term goal.

Joint Reserve Target Levels Maintained

Replenishment of Minimum Reserves

Once Minimum Reserves levels are initially achieved, should CPCNH drawdown reserves below the Minimum Operating Reserve level, CPCNH will implement plans to return reserves to their minimum targets within two (2) years on a rolling forecast basis. The CEO shall oversee the preparation and submittal of such plans in subsequent budget and rate discussions with the Board.

Reserves between Minimum and Maximum

To the extent that reserves are above the Minimum and below the Target Operating Reserve level, continued consideration should be given to the rate that reserves are accumulating toward the Target Operating Reserve.



To the extent that reserves are above the Target Operating Reserve and below the Maximum Operating Reserve level, no action by CPCNH would be required.

Joint Reserve Forecasting, Reporting, and Evaluation

Regular Forecasting of Reserve Levels

The conditions for use of reserves, being expressed as a percentage of the reserve level at the conclusion of a rolling 12-month forecast basis, require the reserve level to be regularly updated on a projected basis.

The reserve level forecast methodology shall be approved by Risk Management Committee, reviewed by the Finance Committee, and periodically assessed and updated as required to ensure appropriate reserve levels are maintained and funded.

The Risk Management Committee, supported by staff and contractors, shall ensure that the reserve level forecast is updated and reported to the Finance Committee and Board of Directors at each regular meeting.

The Treasurer shall report the reserve level in quarterly and annual financial reports.

Periodic Review of Reserve Target Levels

Reserve target levels shall be periodically reviewed for consistency with industry standards by the Risk Management Committee. If significant risk factors are eliminated or significant new risks emerge as a result of changes in the industry, legislation, or economic conditions, the basis of the reserve policy shall be reviewed, and the funding level shall be adjusted accordingly. Unless the Reserves are lower than 120% of the minimum levels, formal Reserve funding discussions with the Board may be deferred until the next budget process.

Annual Consideration of Forecasted Reserve Levels and Targets

An analysis of over or under forecasting of reserve levels during the fiscal year shall be made in conjunction with year-end financial results. These results will be reported to the Board of Directors as part of the year-end financial report presentation.

The Board shall review and consider the target reserve levels defined in this Policy, in the context of CPCNH's overall financial condition and taking under consideration changes to the industry and/or CPCNH's exposure to the risk factors defined in the Enterprise Risk Management Policy.

Conditions for Use of Joint Reserves

A temporary reduction in cash consistent with the expected peaks or dips in revenues and expenditures are normal cyclical occurrences to be expected over the course of any 12-month period, and do not constitute an expenditure of Joint Reserves.



The use of Joint Reserves is defined as an expenditure that is forecasted to result in a more than 10% reduction of the reserve level, relative to its then-prior forecasted level at the conclusion of the fiscal year, or \$10 million, whichever is greater.

The use of Joint Reserves is subject to approval by the Board. However, the CEO has the authority to use reserves for operating liquidity in emergency situations in consultation with the Board Chair and either the Vice Chair or Treasurer, and such actions must be noticed to the Board in the next meeting.

Board and Membership Authority to Amend

The Board may, by resolution, modify or suspend any provision of this Policy for any duration at any time, except that the provisions under this section, "Board and Membership Authority to Amend," and under "Rights of Members to Reserve Contributions" may only be modified or suspended by a written amendment unanimously approved by the votes cast at a meeting of the Membership at which a quorum is present.

The CEO or Board Chair shall send written notice of any proposed amendments to or suspension of the provisions under this section and under Rights of Members to Reserve Contributions to the Member Representatives and principal executive officers of each Member at least fourteen (14) days prior to such meeting at which it is to be acted upon. Subsequently, prompt written notice of the effective date of such amendment or suspension shall be sent to the Member Representatives and principal executive officers of each Member by the CEO or Board Chair.



Definitions

- ⚡ “Board” means the Board of Directors of CPCNH.
- ⚡ “CEO” means the Chief Executive Officer of CPCNH, or, in the absence of a CEO, the Board Chair (unless where otherwise provided for in the policies).
- ⚡ “Cost Sharing Agreements” means the agreements entered into by CPCNH and individual Members pursuant to Article V, Section 3 of the CPCNH Joint Powers Agreement.
- ⚡ “CPA” means Community Power Aggregation.
- ⚡ “CPCNH” means the Community Power Coalition of New Hampshire.
- ⚡ “EPRM Policy” means the Energy Portfolio Risk Management Policy.
- ⚡ “EPRM Regulations” means the Energy Portfolio Risk Management Regulations.
- ⚡ “ERM Policy” means the Enterprise Risk Management Policy.
- ⚡ “GAAS” means generally accepted auditing standards.
- ⚡ “ISO-NE” means ISO New England, Inc., the entity serving as the regional transmission operator and which oversees the operation of New England's bulk electric power generation and transmission system and administers the regional wholesale markets for electric energy and other electricity products, or its successors.
- ⚡ Financial power or gas swap or futures. Includes fixed-for-floating swaps, basis swaps, exchange-traded futures contracts. Swaps and futures are financial settled instruments based on the difference between a fixed and floating reference price times a contracted volume. CPCNH could be the fixed side or float side of the settlement depending upon whether is buying or selling financial power.
- ⚡ Financial power or gas option. The buyer of an option pays a premium to have the right, but not obligation, to exercise the option prior to expiry and receive a financial settlement.
- ⚡ “Financial Transmission Rights (FTRs) obligations”: An FTR provides the FTR holder a revenue stream that equals the quantity of the FTR multiplied by the hourly price difference (day-ahead) between the source and sink locations specified in the FTR. An FTR can be used by CPCNH as a Load Serving entity to hedge congestion risk between a load zone and a supply location such as a generator or hub. The payoff of a FTR can be positive or negative,
- ⚡ “Financial Transmission Rights (FTRs) options”: FTR option buyers pay a premium to have the right, but not the obligation to exercise the payoff of an FTR settlement.



- ⚡ “Gross Margin at Risk” is a measure of the potential adverse changes in net revenues for a given time period and confidence level.
- ⚡ “IBT” or “Internal Bilateral Transaction” is a contract tool that transfers the ISO load obligation between the buyer and the seller. Participants with load or generators often sign bilateral contracts with each other to obtain price certainty rather than risking the uncertain energy market price. A Buyer’s load obligation decreases and therefore pay less to the ISO while a Seller’s load obligation increase and pay more to the ISO.
- ⚡ “Load Serving Entity (LSE)” means an entity that is registered with ISO-NE as a market participant and secures and sells electric energy and related services, which may include transmission service if not provided by the distribution utility, to serve the demand of end-use customers at the distribution level.
- ⚡ “MTM” or Mark-to-Market is a measure of the current replacement value of physical or financial contracts based on prevailing market forward curves, rather than the book value.
- ⚡ “NRSRO” means nationally recognized statistical rating organization.
- ⚡ “Physical Power Purchases and Sales”: see IBT.
- ⚡ “Potential Future Exposure for counterparty credit risk” means the maximum MTM counterparty exposures for a given time period and confidence level.
- ⚡ “Potential Collateral Exposure” means the maximum of collateral that CPCNH may have to post for a given period and time horizon with a given counterparty.
- ⚡ “Rates at Risk” is a measure of the potential adverse changes to CPCNH’s rate competitiveness, relative to the four default utility supply rates, for a given time period and confidence level.
- ⚡ “RMC” means the CPCNH Risk Management Committee.
- ⚡ “Financial Reserve Uncertainty” is a measure of the potential adverse change in reserves for a given time period and confidence level.
- ⚡ “Stress tests” refer to analysis of portfolio performance under stress scenarios of material risk drivers. Used to understand the potential variability in CPCNH’s projected procurement costs and resulting retail rate impacts and competitive positioning.



COMMUNITY POWER COALITION OF NEW HAMPSHIRE

COST SHARING AGREEMENT

This Cost Sharing Agreement (“Agreement”) is made and entered into this ___ day of _____, ____, by and between the City of Lebanon, a subdivision of the State of New Hampshire, (“the Member”) and the Community Power Coalition of New Hampshire (“CPCNH” or “Corporation”), pursuant to the provisions of the CPCNH Joint Powers Agreement (“JPA”) (collectively, the “Parties”).

RECITALS

WHEREAS, the City of Lebanon may choose to implement Community Power Aggregation (“CPA”) service to provide all-requirements electricity for its residents and businesses pursuant to New Hampshire Revised Statutes Annotated (“RSA”) 53-E, the Community Power Act, which found “*it to be in the public interest to allow municipalities and counties to aggregate retail electric customers, as necessary, to provide such customers access to competitive markets for supplies of electricity and related energy services;*”

WHEREAS, the Constitution of New Hampshire declares that “*Free and fair competition in the trades and industries is an inherent and essential right of the people and should be protected against all monopolies and conspiracies which tend to hinder or destroy it;*”

WHEREAS, CPCNH is a nonprofit all-requirements Joint Powers Agency and governmental instrumentality operating pursuant to the Joint Powers Agreement entered into by the City of Lebanon on the 29th day of September, 2021, for the purpose of jointly exercising the powers granted to municipal corporations pursuant to NH RSA 33-B, NH RSA 53-E, NH RSA 53-F, and NH RSA 374-D (including, by reference, NH RSA 33) in accordance with RSA 53-A, Agreements Between Governments;

WHEREAS, CPCNH is jointly controlled and governed by its Members, united as a single entity to operate for the mutual benefit of the Members collectively, to promote the common good, general welfare, economic vitality, and prosperity of local communities in New Hampshire, to use the powers and authority granted by the Members to gain economies of scale and scope to launch, operate, and evolve Community Power Aggregation (“CPA”) programs, and to advance other energy and climate policies and actions on behalf of the Members; and

WHEREAS, CPCNH’s Joint Powers Agreement requires this Cost Sharing Agreement be entered into by all Members to ensure that the costs, expenses, debts, and liabilities directly or indirectly incurred by CPCNH on each Member’s behalf are recovered through said Member CPA’s revenues, or from grants or other third-party sources;

NOW, THEREFORE, in consideration of mutual benefits, covenants, and considerations hereinafter set forth, CPCNH and the Member hereby agree as follows:



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ARTICLE I PURPOSE

The purpose of this Cost Sharing Agreement is to ensure that (i) the expenses, debts, and liabilities (“costs”) directly or indirectly incurred by CPCNH on behalf of the Member are allocated to them based upon cost causation principles, to the extent practical, and (ii) that such costs are recovered from their CPA program revenues, or revenues from grants or other third-party sources.

This Cost Sharing Agreement (i) affirms that the resolutions and articles of the Joint Powers Agreement, as applicable herein, represent a mutual and collectively beneficial approach to cost allocation, whether Members are active or withdrawn from CPCNH, (ii) obligates CPCNH to carry out cost tracking and allocation for recovery from Member CPA revenues in accordance with the methodologies and procedures herein, which are intended to ensure fairness across all Members.

Execution of this Cost Sharing Agreement is a requirement for all Members. Upon execution of this Agreement, Members may subsequently elect to take certain CPA Member Services, which are provided in Exhibit C; each Member Service requires separate execution by the Member to authorize and obligate CPCNH to provide services on behalf of the Member’s CPA.

Electing the Complete Service Bundle of CPA Member Services thereunder authorizes and delegates authority to CPCNH to, pursuant to CPCNH’s Energy Portfolio Risk Management, Rates, and Reserves policies: (i) take all actions necessary and proper to finance, launch, and operate the Member’s CPA; (ii) set rates and provide all-requirements electricity to eligible retail customers taking service within the Member’s service territory; and (iii) collect customer revenues to accrue financial reserves on behalf of the Member and recover the costs allocated to the Member’s CPA pursuant to this Agreement.



ARTICLE II AMENDMENT

CPCNH's Joint Powers Agreement requires that the Cost Sharing Agreements between the Corporation and each individual Member be uniform in all material respects, except with regard to the scope of Member services and Project Contracts that each Member selects to participate in and pay for.

This Agreement duly provides flexibility to update and evolve the scope of services offered to all Members, for individual Member election, by permitting CPCNH to update Exhibit C for all Members, and to incorporate any Project Contracts entered into by an individual Member in Exhibit F. Similarly, Exhibit B: Cost Allocation Reference Table, Exhibit D: Template Cost Allocation Report, Exhibit E: Template Report Glossary, and the list of current CPCNH Members presented under Article III, below, may all be updated by CPCNH. Excerpts from CPCNH's Joint Powers Agreement herein are also updated upon amendment to the Joint Powers Agreement. The Corporation shall promptly distribute any such updates to all Members in a uniform manner, except that Exhibit F of each Member's Cost Sharing Agreement shall only reflect the Project Contracts, if any, entered into by each Member. The Member agrees that all such updates provided by CPCNH to the Exhibits and Joint Powers Agreement language herein shall be incorporated into and do not constitute an amendment to this Agreement.

To ensure that all other aspects of this Agreement, including the cost allocation methodologies prescribed hereunder, are similarly capable of evolving over time, and in recognition that the changeable nature of energy markets, technologies, and cost-drivers may well warrant refinements to the cost allocation methodologies herein at some point in the future, **this Agreement may be amended by a written amendment unanimously approved by the votes cast at a meeting of the Membership at which a quorum is present, provided that CPCNH's Chief Executive Officer or Chair of the Board shall send written notice of any proposed amendments to the Member Representatives and principal executive officers of each Member at least thirty (30) days prior to such meeting at which it is to be acted upon.**

The Member recognizes that, absent this mechanism, it may become impractical to otherwise amend this Agreement as the number of Members grows over time, given the requirement that the Agreement be maintained as uniform in all material respects across the Membership, and that such an eventuality would be contrary to the interest of every Member.

ARTICLE III MEMBERSHIP

CPCNH's current Membership, pursuant to CPCNH's Joint Powers Agreement, may individually execute this Agreement and thereby jointly rely on CPCNH to finance, launch, and operate their CPA programs. The Parties acknowledge that the actual sequencing of CPA implementation may vary from this table:

Members currently intending to implement CPA program service in 2023:

City of Lebanon	Town of Rye	Town of Exeter
Town of Hanover	Town of Walpole	Town of Peterborough
City of Nashua	Town of Plainfield	Town of Durham
Cheshire County	Town of Enfield	Town of Harrisville

Members in the process of authorizing CPA programs:

City of Dover	Town of Newmarket	City of Portsmouth
Town of Warner	Town of Canterbury	Town of Westmoreland
Town of Pembroke	Town of Wilmot	Town of Hudson
Town of Webster	Town of Shelburne	Town of Sugar Hill
Town of New London	Town of Hancock	Town of Brentwood



ARTICLE IV

ELECTION OF CPA MEMBER SERVICES & PROJECT CONTRACTS

The CPA Member Service Agreements currently authorized by the Board are provided in Exhibit C, inclusive of any additional terms of service thereof, for elective execution by the Member. Enrollment periods during which any Members may execute a given contract for CPA Member Services offered in Exhibit C may be for pre-defined periods or open-ended, and the Board may also close enrollment in any CPA Member Service contract that was previously open-ended. During the active enrollment period applicable to any given Member Service Agreement, all executed Agreements between CPCNH and each Member that has elected the same service must be uniform in all material respects.

All of the services required to undertake and provide CPA service are initially offered as a Complete Service Bundle. The Board may authorize additional CPA Member Services, including the disaggregated services comprising the Complete Service Bundle, for Members to elect and pay for on an a la carte, elective basis thereunder. The Member agrees that, from time to time, CPCNH may update Exhibit C to modify enrollment periods for specific CPA Member Services contracts, remove CPA Member Services contracts that are no longer offered and in use by any Member, and incorporate new CPA Member Services contracts offered to all Members.

Project Contracts that an individual Member has entered into, upon execution, shall be placed into Exhibit F of the Member's Cost Sharing Agreement and incorporated by reference hereunder.

Exhibit B provides a reference table summarizing how costs shall be allocated, for all Members' ease of reference, which shall be updated by CPCNH commensurate with the removal and/or addition of any CPA Member Services to Exhibit C, or as otherwise warranted at CPCNH's discretion.

ARTICLE V

COST RECOVERY COMMITMENT; LIMITATION

Article V, Section 3 of the JPA requires that the Cost Sharing Agreement entered into by each Member "*ensure that the costs, expenses, debts, and liabilities ("Costs") ... directly or indirectly incurred by the Corporation on such Member's behalf are recovered through said Member's CPA revenues, or from revenues from grants or other third-party sources.*"

The Member acknowledges and agrees that the costs directly or indirectly incurred by CPCNH on the Member's behalf shall be recovered through the Member's CPA revenues, or from revenues from grants or other third-party sources.

The debts, liabilities, and obligations of CPCNH shall not be debts, liabilities, and obligations of the Member unless and only to the extent agreed to under a Member Service contract entered into by the Member, pursuant to Exhibit C, or Project Contract separately entered into by the Member.

ARTICLE VI

COST REPORTING & RECORDS

This Cost Sharing Agreement puts in place a mandate for transparency regarding how costs are tracked, and allocations are computed. CPCNH will provide for the data collection, analysis, accounting, reconciliation of receipts and aging, and cost allocation between Member CPAs under the methodologies and processes set forth in this Cost Sharing Agreement. As provided for under Article IX hereunder, actual metered customer electricity consumption will be employed where consumption is the determinant of allocation, to the extent possible. However, the Member acknowledges that CPCNH's reasonable estimations of usage may need to be employed, initially and/or



even permanently, depending upon the availability of actual data by Member CPA, but estimations should be subject to periodic reconciliation with actual loads when reasonably practical.

CPCNH will deliver monthly reports to each Member CPA, after it closes its books, encompassing and presenting all costs and allocations by Member. Reports will be prepared at an appropriate level of line-item granularity and will be uniform in all material respects, except with regard to the scope of CPA Member Services and Project Contracts that each Member selects to participate in and pay for. Exhibit D shall present the current report template in use by CPCNH, accompanied by the glossary in Appendix E, which shall be kept current by CPCNH for the Member's reference. Reports will be delivered and distributed to all Members by CPCNH.

Pursuant to CPCNH JPA Article XIII, "*The books and records of the Corporation shall be open to inspection at all reasonable times to each Member and its representatives.*" The Member may, at any time, request detail, clarification and/or revisions of monthly reports, which shall be distributed to all Members.

ARTICLE VII

CPCNH IMPLEMENTATION COSTS

The funding to implement CPCNH is derived from four sources. These sources will cover the initial cost of CPCNH during the Implementation Phase, which refers to the period from the incorporation of CPCNH, on October 1, 2021, through the Start-Up Date, which shall be deemed to be the first of the calendar month in which CPCNH begins receiving customer revenues for delivery of all-requirements electricity to serve the demand of the customers of Member CPAs:

- 1) Funds provided by Members, gifts, or grants received and recorded by CPCNH as cash contributions.
- 2) Credit extended by contract to, and received by, CPCNH from vendors or banks, whether extended with interest or deferred interest cost or charged on an alternate basis.
- 3) Interest-free cash advances, grants, or loans extended by contract to, and received by, CPCNH.
- 4) Deferred compensation by vendors and contractors under contract for future payment by CPCNH, contingent upon the delivery of all-requirements electricity to serve the demand of the customers of Member CPAs.

The Member acknowledges and affirms that the cost of implementing CPCNH should not be borne solely by the customers taking service from initial Member CPAs, as such costs are foundational to the benefit of all Members of CPCNH at any point. As such, the Agreement provides that:

- 1) Implementation Costs are defined as costs incurred or accrued by CPCNH during the Implementation Phase which are not directly allocatable to any one Member CPA, in that such costs would have been incurred or accrued by CPCNH irrespective of the participation of any one Member CPA, inclusive of interest or financing charges that continue to accrue on such costs subsequent to the Implementation Period, less funds received by CPCNH pursuant to (1) above.
- 2) Implementation Costs shall be equitably allocated, on an equal volumetric retail electricity usage basis, to the CPA of each Member that (i) executes this Cost Sharing Agreement and, (ii) supplies all-requirements electricity to retail customers through said Member's CPA program within the five (5) year period commencing on the Start-Up Date ("Implementation Cost Recovery Period").
- 3) CPCNH intends to pay off Implementation Costs during the initial three (3) years following the Start-Up Date. Consequently, over the course of the five (5) year Implementation Cost Recovery Period, each Member CPA will receive an allocation obligation, providing for the direct payment of Implementation Costs and/or reimbursements to the Member CPAs that have already paid for the Implementation Costs, such that, at the



conclusion of the five (5) year period, the sum of electricity used by retail customers taking service from each CPA over the course of the period divided into the Implementation Costs allocated to each CPA shall be equivalent on a dollar per megawatt-hour (\$/MWh) basis.

- 4) CPCNH shall maintain an internal accounting of the amount of Implementation Costs, and the allocation obligations, payments, and reimbursements of such costs, which record shall be available for inspection by Members at any reasonable time.

ARTICLE VIII CLASSIFICATION OF COSTS

The three primary categories of costs into which CPCNH must classify all costs, pursuant to Section 3 of Article V of the JPA, are described in further detail below. Refer to Exhibit A for excerpts from the JPA regarding cost sharing principles, which are incorporated herein.

- 1) **CPA Member Services Costs** are costs related to undertaking and providing CPA service on behalf of Members. Such costs will represent the bulk of the cost that CPCNH will incur, including for the provision of:
 - a) **CPA Power Supply Costs:** costs incurred by CPCNH to secure and sell all-requirements electricity supply to serve the demand of the customers of each Member CPA, the definition and requirements of which are subject to changes in law and rules, and to engage in portfolio risk management, which includes:
 - i) The cost of electrical energy, capacity, reserves, ancillary services, transmission services (to the extent allocated to Member CPA service), transmission and distribution losses, congestion management, and other such services or products necessary to provide firm power supply and meet the requirements of New Hampshire's Renewable Portfolio Standard, and financial products.
 - ii) The cost of financial products related to portfolio risk management, such as power or natural gas options, swaps, or futures contracts, Financial Transmission Rights (FTR) obligations and options, and products to hedge non-energy cost components of the power supply portfolio.
 - iii) Additional attributable costs authorized by individual Member CPAs for any other power supply related products and services, such as for securing or purchasing Renewable Energy Credits in excess of the requirements of New Hampshire's Renewable Portfolio Standard, or for resources that reduce the ISO-NE wholesale load obligations and/or reduce transmission cost allocations, if any, attributable to the Member CPAs, which may also generate credit for avoided transmission costs or avoided capacity costs attributable to customers and/or Member CPAs.
 - b) **CPA Operational Costs:** costs related to undertaking and providing CPA service on behalf of Members that are not CPA Power Supply Costs, which include but are not limited to the following:
 - i) Staff, overhead, legal, banking, technical, regulatory, and financial services costs attributable to the provision of CPA service.
 - ii) Financing and credit charges incurred for the provision of all-requirements electricity supply, and for operating costs hereunder, excluding those associated with any Project.
 - iii) Compliance costs attributable to the provision of CPA service.
 - iv) Direct costs and/or costs incurred from third-party providers under contract with CPCNH to provide services, including:
 - (1) Marketing, advertising, community engagement, and customer noticing pertaining to CPA service.



- (2) ISO-NE Load Serving Entity (LSE) services.
 - (3) Portfolio and risk management services.
 - (4) Utility data interchange, data management, and customer billing services.
 - (5) Call center and customer engagement services.
 - (6) Local program design, administration, and/or financing.
 - v) Attributable Implementation Costs of the Corporation.
- 2) **General and Administrative Costs**: costs incurred for the common objectives of all CPCNH Members that are not incurred specifically in connection with a particular Project, Project Contract, or Member Service. Typical costs in this category, which may be fully or partially defined as General and Administrative Costs, include:
- a) Administrative offices.
 - b) CPCNH-wide financial management.
 - c) Business services.
 - d) Budget and planning.
 - e) Personnel management.
 - f) Central management information systems and operations.
 - g) General management of CPCNH, such as for strategic direction and Member affairs, Board functions, accounting, procurement, and legal services; operation and maintenance expense; depreciation and use allowances; and interest costs.
 - h) Attributable Implementation Costs of the Corporation.
- 3) **Direct Project Costs** are costs incurred for a particular Project pursuant to a Project Contract for a specific Member and/or CPA, or subset thereof, that are not allocated to General and Administrative Costs, to the extent appropriately assigned to specific projects pursuant to Section 4 of Article V of the JPA. These projects can take on many forms but carry a distinct attribute that they are defined by a specific Project Contract entered into by Members participating in particular projects. As such, Direct Project Costs are identified by contract for recovery from the Members that are signatories to the Project Contract.

ARTICLE IX

ALLOCATION OF COSTS

Costs directly or indirectly incurred by CPCNH relating to (1) the CPA Member Services elected by the Member pursuant to Exhibit C, (2) General and Administrative Costs of the Corporation, and (3) the Project Contracts entered into by the Member, if any, will be allocated to the Member in accordance with this Article IX. Refer to Exhibit B for a reference table summarizing these costs and allocation methodologies.

- 1) **CPA Member Services Costs**. Services required to undertake and provide CPA Member Services are allocated to Member CPAs pursuant to cost causation principles, to the extent reasonably practical, as described herein.
- a) **CPA Power Supply Costs**. Each Member will be allocated all costs incurred by CPCNH attributed to the provision of all-requirements electricity supply to the retail customers of said Member's CPA, inclusive of the cost of financial products related to portfolio risk management, as follows:
 - i) For the net costs attributable to the provision of all-requirements electricity supply to retail customers for each Member CPA:



- (1) Where retail customer usage on a temporal and/or geographically specific basis is the determinant of costs:
 - (a) Actual metered customer electricity usage will be employed to the extent reasonably practical for each Member and to the extent such usage is used for load settlement purposes with ISO-NE (“actual usage”).
 - (b) Estimated or profiled electricity usage will be employed only to the extent that actual metered customer electricity usage is not reasonably available or is not used for load settlement purposes with ISO-NE for said Member.
- (2) Where retail customer usage on a temporal and/or geographically specific basis is not the determinant of costs, Members will be allocated net costs on a pro rata volumetric usage basis.
- ii) For costs incurred pertaining to financial products related to portfolio risk management, net costs may be allocated either to all Members on a pro rata volumetric usage basis or to each Member based upon either their actual electricity usage, if reasonably available, or alternatively, estimated, or profiled electricity usage.
- iii) For costs incurred pertaining to any other power supply related products and services authorized by each Member CPA, net costs will be allocated to said Member CPAs based on a reasonable determination of the cost of providing that service.
- b) CPA Operational Costs.** Each Member will be allocated all costs incurred by CPCNH related to undertaking and providing CPA service on behalf of said Member that are not CPA Power Supply Costs, as follows:
 - i) For costs attributable to staff, overhead, legal, banking, technical, regulatory, and financial services, costs will be allocated to all Members on a pro rata volumetric usage basis.
 - ii) For costs incurred pertaining to compliance requirements:
 - (1) Costs reasonably attributable to each Member will be allocated to said Member.
 - (2) Costs that are not reasonably attributable to any one Member will be allocated to all Members on a pro rata volumetric usage basis.
 - iii) For financing and credit charges incurred for the provision of all-requirements electricity supply, and operating costs hereunder, costs may be allocated either to all Members on a pro rata volumetric usage basis or to each Member based upon their actual usage, if reasonably available, or alternatively, estimated, or profiled electricity usage.
 - iv) For costs incurred from third-party providers of services under contract with CPCNH:
 - (1) Services charged based on a metric or fee structure that can be reasonably applied to an individual Member basis will be allocated to each Member on that basis.
 - (2) Services charged based on a metric or fee structure that cannot be reasonably applied on an individual Member basis will be allocated to all Members on a pro rata volumetric usage basis.

2) General and Administrative Costs.

- a) Each Member will be allocated General and Administrative Costs on a pro rata basis in accordance with the following formula: Member CPA’s Annual Retail Electricity Load divided by all Member CPAs’ Annual Retail Electricity Load.
 - i) “Annual Retail Electricity Load” means the annual amount of metered electricity delivered to retail consumers and supplied through the Member CPA during the most recent 12 whole months.



- ii) If less than 12 whole months of load have been supplied through the Member CPA, the calculation of a Member's Annual Retail Electricity Load shall be as follows:
 - (1) Within a CPCNH Fiscal Year, the Member CPA's allocation of General and Administrative Costs shall initially be based on a reasonable forecast provided by CPCNH of the Member CPA's load for the duration of the Fiscal Year divided by all Member CPAs' forecast Annual Retail Electricity Load for that Fiscal Year.
 - (2) After the close of the CPCNH Fiscal Year, to the extent reasonably practical, such forecasts shall be reconciled to the Member CPA's actual load over the Fiscal Year divided by the total of actual loads for all Member CPAs for that Fiscal Year.
- 3) **Direct Project Costs.** Costs incurred for a particular Project pursuant to a Project Contract will be recovered pursuant to the Project Contract that governs Member cost responsibility for the Project. Nothing contained in a Project Contract shall obligate non-participating Members in any respect with the Project. If CPCNH incurs additional costs for a particular Project, then:
 - a) CPCNH shall provide notice to the Project Committee in question regarding the date upon which the Project Committee must vote upon the matter of how to fully allocate such additional costs amongst participating Members, which shall be considered a Project Matter for this purpose, and CPCNH shall allocate costs pursuant to an affirmative vote by the Project Committee thereof.
 - b) In the absence of an affirmative vote by the Project Committee thereof, CPCNH shall allocate such additional costs to each Member in proportion to their participation share allocation for the Project.

ARTICLE X GENERAL TERMS & CONDITIONS

The Joint Powers Agreement carries with it several elements with which this Cost Sharing Agreement shall hold generally consistent but apply specifically to this Cost Sharing Agreement.

Limitations of Liability

As provided for in Article XII of the JPA, *"No debt, liability, or obligation of the Corporation shall be a debt, liability, or obligation of any Member unless otherwise specified and agreed to by individual Members under a Cost Sharing Agreement or Project Contract under this Agreement."*

Indemnification

This Cost Sharing Agreement is a continuation of the authority in the Joint Powers Agreement, and as such, its indemnification language applies (By-Laws, Article 13.1):

"Each Member (including its governing body), Member representative, Director, Officer, committee member, employee, assignee, or agent of CPCNH, (and the irrevocable heirs, executors and administrators), shall be indemnified and held harmless by CPCNH against any and all claims, demands, losses, costs, penalties, expenses (including attorneys' fees), judgments, damages and liabilities reasonably incurred by, or imposed upon them in connection with any action, suit or proceeding to which they may be made a party or with which they shall be threatened, by reason of their being, or having been, a Member, Member representative, Director, Officer, committee member, employee, assignee, or agent of CPCNH (whether or not they continue to be a Member, Member representative, Director, Officer, committee member, employee, assignee, or agent of CPCNH at the time such action, suit or proceeding is brought or threatened), arising in whole or in part, directly or indirectly from conduct in which such Member, Member representative, Director, Officer, committee member, employee, assignee, or agent has engaged in good faith. However, no such indemnification shall apply in relation to any matter involving (i) a breach of their



duty of loyalty to CPCNH; (ii) acts or omission which are not in good faith or which involved intentional misconduct or a knowing violation of law; or (iii) a transaction from which the Director, Officer, Member representative, committee member, employee, assignee, or agent derived an improper personal benefit. In the event of settlement of any such action, suitor proceeding brought or threatened, such indemnification shall be limited to matters covered by the settlement as to which CPCNH is advised by counsel that such Member, Member representative, Director, Officer, committee member, employee, assignee, or agent is not liable for misconduct as such. The foregoing right of indemnification shall be in addition to any rights to which any Member (including its governing body), Member representative, Director, Officer, committee member, employee, assignee, or agent may otherwise be entitled.”

Further, CPCNH shall, “Defend, hold harmless, and indemnify, to the fullest extent permitted by law, each Member from any liability, claims, suits, or other actions.” Articles of Agreement of the Corporation, Article 7.21.

Dispute Resolution

This Cost Sharing Agreement affirms the dispute resolution approach defined in Article XVIII, Section 2 of the JPA, and the Member hereby agrees to extend this provision in support of the Cost Sharing Agreement:

“The Members and the Corporation shall make reasonable efforts to settle all disputes arising out of, or in connection with, this Agreement. Before exercising any remedy provided by law, a Member or Members and the Corporation shall engage in nonbinding dispute resolution or in a manner agreed upon by the Member or Members and the Corporation. The Members agree that each Member may specifically enforce this provision, Article XVI, Section 2, Dispute Resolution. In the event that dispute resolution is not initiated or does not result in a resolution within 60 days after a written request for dispute resolution, any disputing Member or the Corporation may pursue any remedies provided by law.”

Continuing Obligations: Participant Withdrawal and Obligations or Buyout Provisions

Continuing obligations shall be pursuant to the same terms for continuing obligations as provided for under Article IV, Section 6 of the JPA:

“Any withdrawn or terminated Member shall continue to be liable for its obligations under any Project Contract and Cost Sharing Agreement(s) for the remaining term of any such Project Contract or Cost Sharing Agreement. The Member’s equity or deficit position while a participant in any Project Contract will continue to be reflected in the records and reports of the Corporation. The Corporation may withhold funds otherwise owing to the Member or may require the Member to deposit sufficient funds with the Corporation, as reasonably determined by the Board, to cover the Member’s liability for the costs described herein. Any amount of the Member’s funds held on deposit with the Corporation above that required to pay any liability or obligation shall be returned to the Member.”

ARTICLE XI TERM

This Agreement shall be deemed to have been in effect commencing upon the date the Member became a Member of CPCNH following execution of the CPCNH Joint Powers Agreement. This Agreement shall continue in full force and effect until terminated by the earlier of (1) dissolution and liquidation of the Corporation, and distribution of any net proceeds, as provided for in Article XI of the By-Laws or (2) the later of (a) withdrawal or involuntary termination of the Member from the Corporation, as provided for in Article 4 and 5 of the JPA, subject to any continuing obligations, as provided for in Article 6 of the JPA, or (b) as otherwise specified in this Agreement.



IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized:

MEMBER: City of Lebanon, NH

By: _____

Title: City Manager

Name: Shaun Mullholland

Date: _____

ATTESTATION: _____
Clerk

COMMUNITY POWER COALITION OF NEW HAMPSHIRE

By: _____
Chair of the Board of Directors

Name: Clifton Below

Date: _____

ATTESTATION: _____
Secretary of the Board

APPROVED AS TO FORM: _____
General Counsel to the Board



EXHIBIT A: COST SHARING PRINCIPLES

- 1) **CPCNH's Joint Powers Agreement, Article V**, defines certain cost sharing principles, which are provided below for the Member's reference, and Sections 3-7 thereunder are expressly incorporated herein:

ARTICLE V COST SHARING PRINCIPLES

SECTION 1. Fiscal Year. *The fiscal year shall be the calendar year, subject to the Board's discretion to amend the Fiscal Year. Before changing the Fiscal Year, the Board shall confer with the Treasurer and may confer with the auditor.*

SECTION 2. Budget. *The budget will be established pursuant to the terms reflected in the By-Laws.*

SECTION 3. Cost Sharing Agreements. *An agreement shall be entered into between the Corporation and each respective Member, uniform in all material respects, except with regard to the scope of Member services and Project Contracts that each Member selects to participate in and pay for, to ensure that the costs, expenses, debts, and liabilities ("Costs") directly or indirectly incurred by the Corporation on such Member's behalf are recovered through said Member's CPA revenues, or from revenues from grants or other third-party sources. Such Costs shall be classified as:*

*(a) **CPA Member Services Costs:** Costs incurred to provide the Complete Service Bundle, or such services that CPCNH offers, shall be recovered directly from Member(s) for the period they contract to receive such service(s). The Complete Service Bundle will include those services CPAs will require to undertake and provide Electric Aggregation Plans and Programs, such as: power supply procurement and management, data and billing, and customer service;*

*(b) **General and Administrative Costs:** Costs described in Article V, Section 4 are incurred for the common objectives of all Members of the Corporation, and are not incurred specifically in connection with a particular Project, Project Contract, or Member Service and shall be allocated to, and recovered from, each Member on a pro rata basis in accordance with the following formula: Member CPA's Annual Retail Electricity Load divided by all Member CPAs' Annual Retail Electricity Load; and*

*(c) **Direct Project Costs:** Costs incurred for a particular Project pursuant to a Project Contract shall be recovered directly from the Member(s) that participate in a particular Project or pursuant to the Project Contract that governs Member cost responsibility for the Project.*

SECTION 4. General and Administrative Costs. *General and Administrative Costs include those that have been incurred for the general operation and administration of the Corporation, and other expenses of a general character, including but not limited to Costs relating to: administrative offices that serve the Corporation; Corporation-wide financial management, business services, budget and planning, and personnel management; operations of the Corporation's central management information systems; general management of the Corporation, such as strategic direction and member affairs, Board functions, accounting, procurement, and legal services; operation and maintenance expense; depreciation and use allowances; and interest costs.*

General and Administrative Costs do not include Costs that relate solely to, or are incurred by, the Corporation for CPA Member Services or as a result of any specific Project or Project Contract. The intent of the Members is to ensure that all Costs incurred by the Corporation that are directly related to CPA Member Services will only be paid by the Members receiving such services or for any specific Project will be paid only by the Project Participants of that specific Project. As such, when an activity or cost generally



included within the General and Administrative Cost category benefits CPA Member Services, a specific Project or Project Contract, or is performed or budgeted for a specific Project or Project Contract, an appropriate adjustment shall be made to assure that the proper portion of the Cost of such activity is categorized and allocated as CPA Member Services costs to a Member receiving such service, or as a Direct Project Cost to the Project Participants, subject to Cost allocation under the applicable Project Contract. The Members intend that all Costs of the Corporation that are not directly assigned for recovery to CPA Member Services, a specific Project or Project Contract will be recovered as General and Administrative Costs.

SECTION 5. Member Advances, Contributions and Repayment. *Upon the request or approval of the Board, any Member may make payments, advances, or contributions to the Corporation for any and all purposes set forth herein, and may contribute personnel, equipment or property, in lieu of other contributions or advances, to assist in the accomplishment of one or more of such purposes. All such payments, advances or contributions, whether in cash or in kind, shall be made to, and may be disbursed or used by, the Corporation. Except as otherwise specified in contracts with Members by the Board, the approved advances will be treated as indebtedness of the Corporation and shall be payable and repaid as such.*

SECTION 6. Refunds. *No Member that withdraws or is terminated shall be entitled to a refund of any payments made in connection with General and Administrative Costs.*

SECTION 7. Funding of Initial Costs. *Any Members that have funded activities necessary to implement the Corporation may request that the Board consider reimbursing said Members for said costs over a reasonable time period and shall provide such documentation of costs paid as the Board may request.*

- 2) **CPCNH's Articles of Agreement**, under the Joint Powers Agreement, provide for the powers of the Corporation that are expressly incorporated herein, including, as follows:

7.13 Incur debts, liabilities, and obligations, provided that all debts, liabilities and obligations shall be non-recourse to any and all of the Members unless expressly agreed to by such Members through a Member's Cost Sharing Agreement or Project Contract as those terms are defined in the JPA;

7.14 Issue revenue bonds and incur other forms of indebtedness including but not limited to loans from private lending sources, pursuant to NH RSA 33-B, RSA 53-E, RSA 53-F, and RSA 374-D, provided that any such bond or debt issuance is approved by participating Members' governing and legislative bodies as required by statute.



EXHIBIT B: COSTS ALLOCATION REFERENCE TABLE

Classification	Cost Factor	Allocation Method
General & Administrative	All Costs	\$/MWh forecasts and annual true-up to pro rata share of <u>actual</u> “Annual Retail Electricity Load” (JPA defined term)
Direct Project	Costs identified in Project Contracts	As specified in Project Contracts
	Unanticipated Costs	As directed by Project Committee vote; alternatively, Member Project Contract participation share %
CPA Member Services <i>Power Supply</i>	All Requirements Electricity	Member CPA actual cost
	Net Hedging	\$/MWh (across all CPAs) <u>or</u> actual cost (for each CPA)
	Optional / Opt-Up Products	Member CPA actual cost
CPA Member Services <i>Operations</i>	Allocated Staff, Overhead & Misc. Svc	\$/MWh
	Member CPA Compliance Costs	Member CPA actual cost
	General Compliance Costs	\$/MWh
	Financing and Credit Support	\$/MWh (across all CPAs) <u>or</u> actual cost (for each CPA)
	Portfolio & Risk Management Services	\$/MWh
	ISO-NE Load Serving Entity (LSE) Services	\$/MWh
	Marketing & Community Services	\$/MWh
	Customer Notifications	\$/Notice
	Data Management & Billing Services	\$/Meter
	Call Center & Customer Services	\$/Meter
	Local Program Design, Admin & Finance	\$/MWh (across all CPAs) <u>or</u> actual cost (for each CPA)
CPA Member Services <i>Elective Services</i>	Additional services as authorized by the Board	



EXHIBIT C: CPA MEMBER SERVICES FOR ELECTION BY MEMBER

I: COMPLETE SERVICE BUNDLE

AS AUTHORIZED BY THE BOARD OF DIRECTORS ON [DATE]

MEMBER ENROLLMENT PERIOD: OPEN



COMMUNITY POWER COALITION OF NEW HAMPSHIRE

CPA MEMBER SERVICES CONTRACT: COMPLETE SERVICE BUNDLE

This CPA Member Services Contract (“Contract”) is made and entered into this ___ day of _____, _____, (“Effective Date”) by and between the _____, a subdivision of the State of New Hampshire, (“the Member”) and the Community Power Coalition of New Hampshire (“CPCNH” or “Corporation”), pursuant to the provisions of the CPCNH Joint Powers Agreement (“JPA”) (collectively, “Parties”).

RECITALS

WHEREAS, the City of Lebanon desires to implement Community Power Aggregation (“CPA”) service to provide all-requirements electricity for its residents and businesses pursuant to New Hampshire Revised Statutes Annotated (“RSA”) 53-E, the Community Power Act, which found “*it to be in the public interest to allow municipalities and counties to aggregate retail electric customers, as necessary, to provide such customers access to competitive markets for supplies of electricity and related energy services*”;

WHEREAS, CPCNH is a nonprofit all-requirements Joint Powers Agency and governmental instrumentality operating pursuant to the Joint Powers Agreement entered into by the City of Lebanon on the 29th day of September, 2021, for the purpose of jointly exercising the powers granted to municipal corporations pursuant to NH RSA 33-B, NH RSA 53-E, NH RSA 53-F, and NH RSA 374-D (including, by reference, NH RSA 33) in accordance with RSA 53-A, Agreements Between Governments;

WHEREAS, CPCNH is jointly controlled and governed by its Members, united as a single entity to operate for the mutual benefit of the Members collectively, to promote the common good, general welfare, economic vitality, and prosperity of local communities in New Hampshire, to use the powers and authority granted by the Members to gain economies of scale and scope to launch, operate, and evolve CPA programs, and to advance other energy and climate policies and actions on behalf of the Members;

WHEREAS, the Cost Sharing Agreement between the City of Lebanon and CPCNH permits the City of Lebanon to enter into agreements for CPCNH to provide certain CPA Member Services, and ensures that the costs, expenses, debts, and liabilities directly or indirectly incurred by CPCNH on Lebanon Community Power’s behalf are recovered through Lebanon Community Power’s CPA program revenues, or from grants or other third-party sources;

WHEREAS, the City of Lebanon adopted an Electric Aggregation Plan on the 15th day of September, 2021, and desires CPCNH to finance, launch, and operate a CPA on its behalf;

WHEREAS, this Contract for the Complete Service Bundle shall be inclusive of all services, expertise, and financial support that Lebanon Community Power requires to “*undertake and provide Electric Aggregation Plans and Programs, such as: power supply procurement and management, data and billing, and customer service*” in accordance with to Section 3(a) of Article V of the JPA; and

WHEREAS, the City of Lebanon hereby endorses and adopts CPCNH’s Data Security and Privacy Policy, Energy Portfolio Risk Management Policy, Retail Rates Policy, and Financial Reserves Policy, as may be amended from time to time by CPCNH’s Board of Directors, to provide for the security of individual customer information, procurement of all-requirements electricity supply, price risk management, prudent budgeting and rate setting, and the collection of financial reserves by CPCNH on the City of Lebanon’s behalf for the term of this Contract.



NOW, THEREFORE, in consideration of mutual benefits, covenants, and considerations hereinafter set forth, CPCNH and the Member hereby agree as follows:

ARTICLE I

Purpose

1. Definition. The Complete Service Bundle, pursuant to Section 3(a) of Article V of the Joint Powers Agreement (“JPA”), is inclusive of all services, expertise, and financial support that Member CPAs require to “*undertake and provide Electric Aggregation Plans and Programs, such as: power supply procurement and management, data and billing, and customer service*” (hereafter, the “Services”).

2. Purpose. The Board of Director’s (“Board”) overarching purpose, in offering the Complete Service Bundle, shall be to achieve a greater financial benefit for every Member collectively than any one Member would be able to achieve individually, by creating and sustaining: (i) public oversight, transparency, and unbiased expert advice to decision-makers regarding operations and planning; (ii) administrative cost efficiencies and business model innovations; (iii) a sustainable balance, and equitable consideration, between short-term cost-savings and long-term fiscal stability; (iv) powerful representation at the New Hampshire legislature and Public Utilities Commission, including on matters regarding market-enabling reforms and infrastructure investments that impact the Membership’s energy future; and (v) the acceleration and development of cost-effective local programs, advanced rate structures, new customer services, and local energy project developments that create new financial value and resiliency for participating Members, at the community-level, and for customers, in terms of their total energy costs, including by lowering transmission and generation capacity charges in addition to wholesale energy purchases.

3. Endorsement. By executing this Contract, the Member endorses this collective purpose for the Services.

ARTICLE II

Decision-Making Framework

1. Acknowledgement. The Member acknowledges that (i) efficient administration imposes limitations to individual Member choice, (ii) procurement and rate setting will present inherent trade-off decisions, (iii) collective decision-making must therefore be relied upon to satisfy and balance the divergence of the Members’ prioritization of competing objectives over the short- to long-term, and (iv) achieving the above-stated purpose therefore requires a decision-making framework to define which decisions must be made collectively versus left up to each Member.

2. Establishment of Decision-Making Framework. The Member hereby endorses and adopts CPCNH’s Data Security and Privacy Policy, Energy Portfolio Risk Management Policy, Retail Rates Policy, and Financial Reserves Policy (“Policies”), which, in conjunction with and pursuant to the Joint Powers Agreement, establishes an appropriate framework that balances the Member’s individual versus collective decision-making considerations regarding CPCNH’s provision of services under this Contract.

Appendix A summarizes how the framework is intended to function during initial implementation of the Member’s CPA, specifically identifying which decisions will be made collectively, and where the Member may make or delegate certain key decisions, including regarding: (i) choice of whether to procure power initially on the Member’s behalf, (ii) choice of rate products offered to the Member’s customers, (iii) choice of collecting additional financial reserves for the Member’s sole use, and (iv) choice of termination of this Contract, before and after enrollment of the Member’s customers.

3. Amendment of Decision-Making Framework. The Member agrees that the Policies are integral to CPCNH’s provisions of Services under this Contract, to provide for the security of individual customer information, procurement of all-requirements electricity supply, price risk management, prudent budgeting and rate setting, and the collection of financial reserves on behalf of participating Members. The Member acknowledges that the Board



or the Membership of CPCNH may amend the Policies from time to time, and that the Member, pursuant to the Joint Powers Agreement, may observe, inform, and/or participate directly on the Board and in committee decision-making processes relevant to the provision of the Services. The Member agrees that CPCNH shall update this Contract to reflect any amendments to CPCNH policies, which shall be incorporated herein and not constitute an amendment to this Contract.

Appendix B summarizes the Policies and amendment procedures and is provided for the Member's reference. Current Policies are available to the Member upon request and publicly available on CPCNH's website.

ARTICLE III **Limitation of Member Liability**

The Member is not liable for the debts, liabilities, or obligations incurred by CPCNH to provide the Services under this Contract.

ARTICLE IV **Delegation of Authority & Commitment to Act**

1. Delegation of Authority. The Member hereby expressly authorizes and delegates authority to CPCNH, with immediate effect, to act as an agent of the Member in all circumstances and capacities required to provide the Services as contemplated under this Contract.

2. CPCNH Commitment to Act. CPCNH shall take all actions required to provide for the timely delivery of the Services, including by: ensuring effective community engagement and customer noticing, completion of registration requirements with utilities, and compliance with statutory and rule requirements to the provision of CPA service; negotiating and executing contracts for credit support and all-requirements electricity to satisfy the Member's load obligations and manage price risk; setting rates to satisfy the Member's revenue requirements and obligations under this Contract; arranging for revenues received from utilities and CPA customers to be deposited into CPCNH's secured revenue account and pledged to CPCNH's financiers and supplier counterparties; providing for general administration and oversight of the Services; and accruing and tracking financial reserves on behalf of the Member.

2. Member Commitment to Act. The Member agrees to take and perform all acts required to effectuate the delegation of authority to CPCNH as contemplated herein, including by promptly making all necessary filings with any Governmental Authority or Electric Distribution Utility upon CPCNH's request. If requested by CPCNH, the Member shall assist CPCNH in obtaining information regarding the Member's customers from the Electric Distribution Utility. The Member agrees to provide to CPCNH all data, including reports, records, and other information, in the Member's possession, or cause to be provided data not in the Member's possession, which may reasonably facilitate the timely performance of the Services described hereunder.

ARTICLE V **Professional Ability & Service Contracts**

CPCNH relies upon qualified service providers, consultants, and personnel to provide the Services jointly, at a beneficial economy of scale, across all Member CPAs. Services will be performed by qualified staff, contractors, consultants, Member Representatives and/or volunteers, as determined by the CPCNH Board of Directors or its designee, and carried out in a competent, professional, and satisfactory manner, in accordance with the standards prevalent in the industry and any applicable policies adopted by the Board.

The Member acknowledges and accepts that the extent of CPCNH's services under this Contract, as a start-up power agency, are predicated on (i) contracts CPCNH has executed with service providers hired through competitive solicitations, (ii) CPCNH's internal capacity, including staff capacity commencing with an anticipated hire of a



CEO in March 2023, and (iii) the timeline by which distribution utilities implement Puc 2200 rules, which have not been fully implemented as of December 2022.

CPCNH's current contacts with service providers and consultants are available through CPCNH's website and listed in Appendix C.

ARTICLE VI

Electric Aggregation Plan

1. Acknowledgement. The Member acknowledges that the terms and requirements of the Member's Electric Aggregation Plan may prevent CPCNH from being able to commence provision of some or all the Services.

2. Mutual Commitments. CPCNH commits to promptly review the Member's Electric Aggregation Plan to assess any impact on CPCNH's provision of Services, and to identify and recommend any amendments prudent or necessary thereof. Member commits to promptly consider adoption of any such amendments. During the term of this Contract, the Parties will coordinate on, and the Member may seek CPCNH's advice regarding, any amendments to their Electric Aggregation Plan and shall strive to align any amendments thereto with the common interest and intent of this Contract, the underlying Services, and consistent with applicable statutes or regulations or with CPCNH's provision of the Services.

ARTICLE VII

Term; Procurement and Termination Elections; Financial Reserves

1. Term. The term of this Contract shall commence on the Effective Date and expire upon the termination of the Services as set forth herein.

2. Termination Prior to Commencement of Procurement. The Member may elect to terminate this Contract with immediate effect by submitting written notice to CPCNH, provided that CPCNH has not authorized entering into transactions for power on behalf of the Member's CPA.

3. Election to Delay Initial Procurement.

The Member's Authorized Officer, if authorized hereunder, may elect to delay commencing procurement on behalf of the Member's CPA during the Risk Management Committee meeting convened to authorize the first transactions entered into by CPCNH on the Member's behalf, provided that such election is made prior to the vote authorizing such procurement.

The Committee shall call for any such elections by the Member to be made verbally, after review and discussion of current market conditions and corresponding rate forecasts, and prior to the Committee's vote on whether to authorize procurement. Verbal elections made at the meeting by the Authorized Officer shall be immediately considered effective by CPCNH and promptly followed by written confirmation from the Authorized Officer to CPCNH and the Member's Principal Representatives.

4. Notice of Termination before and after First-Year Operations.

CPCNH's Energy Portfolio Risk Management Policy provides that "*hedging shall not extend beyond 36 months from the date that CPCNH first begins providing electricity service to CPA customers, until one year from that date.*" After the first year of operations, CPCNH may authorize entering into forward hedging transactions extending up to 36 months out, on a rolling basis, to serve the collective load of all Member CPAs taking Service.

At any time during the 12-month period after the initial launch of CPCNH's power supply service, commencing on the date when CPCNH first supplies electricity to the retail customers of any Member CPA, the Member may submit



written notice to terminate the Services on the first day of the month thirty-six (36) months following the date when CPCNH first supplied electricity to the retail customers of any Member CPA.

At any time after the 12-month period after the initial launch of CPCNH's power supply service, the Member may terminate this Contract by submitting written notice at least thirty-six (36) months in advance of the termination date.

5. Early Termination after Commencement of Service.

The Member may also, submit notice that it wishes to terminate this Contract at an earlier date than as provided for above. Upon receipt of such notice, CPCNH shall promptly assess and inform the Member of the minimum waiting period under which the Member would have no costs for withdrawal. Costs of withdrawal at an earlier date include, but are not limited to, losses from the resale of power contracted for by CPCNH to serve the Member CPA's load. The waiting period will be set to the minimum duration such that there would be no costs transferred to the remaining Members that have elected the Services.

Alternatively, the Member may elect to terminate this Contract during the waiting period, provided that the Member first deposits sufficient funds with CPCNH, as reasonably determined by CPCNH and approved by a vote of the Board of Directors, to cover the Member's liability for the costs described above. The Member may elect to use its allocated share of Joint Reserves or its Discretionary Reserves, collected on Member's behalf and held by CPCNH, for this purpose.

6. Return of Allocated Joint Reserves. After the effective date of the Member's termination of this Contract, any amount of the Member's allocated share of Joint Reserves above that which is required to pay any costs incurred by CPCNH through the date of termination on behalf of the Member shall be allocated back to the Member for use as Discretionary Reserves, pursuant to CPCNH's Financial Reserves Policy.

ARTICLE VIII

Authorized Officer for Member Service Decisions

1. Authorized Officer. The Member may designate an Authorized Officer to take specific actions, as defined in Section 2: Authorizations below, on behalf of the Member pursuant to this Agreement and the Policies. The Member's Authorized Officer, as specified in the Member's Electric Aggregation Plan, or otherwise delegated authority by the governing body hereunder, is:

Title	Name	Phone	Email

The Member's Principal Executive Officer may specify a new Authorized Officer by submitting written notice by electronic mail to CPCNH's Principal Representative, which shall be promptly acknowledged and effective thereof, and such updates to this Contract shall not be considered an amendment.

2. Authorizations. The Authorized Officer may act on behalf of the Member to instruct and authorize CPCNH only on the matters and to the extent explicitly authorized by the Member hereunder. The Member hereby delegates the following authorities to the Authorized Officer to act on the Member's behalf (specify "yes" or "no"):

- a) Pursuant to Article VI, Section 3, the Authorized Officer may elect to delay commencing procurement: Yes;
- b) Pursuant the Retail Rates Policy, the Authorized Officer may specify default and optional products: Yes; and
- c) Pursuant the Retail Rates Policy, the Authorized Officer may set Discretionary Reserve adders: Yes.



3. Disclaimer. CPCNH shall have no liability to the Member for actions taken in reliance on authorizations or instructions received by the Authorized Officer as contemplated hereunder or in compliance with the Policies. Until such time as the Member instructs CPCNH in writing that the individual above, if any, is no longer an “Authorized Officer” hereunder, CPCNH shall have no duty to inquire as to the authority of such Authorized Officer to provide the authorizations or instructions in connection with the Services.

4. Alternatives. If an Authorized Officer is not identified hereunder, or if CPCNH is at any time unsure as to the identity of the Authorized Officer hereunder, or regarding a decision on any matter for which the Member has not delegated authority to the Authorized Officer under Section 2: Authorization, CPCNH may request written instructions from the Member’s Principal Executive Officer, or the Member’s governing body, pursuant to any applicable Policy, as to the course of action to be adopted by CPCNH. CPCNH shall be entitled to conclusively rely upon such written instructions thereof.

ARTICLE IX

Principal Representatives

The Member’s Principal Representatives, for purposes of communicating with CPCNH on any matter associated with the performance of the Services set forth hereunder, in addition to the Authorized Officer, shall be:

Title	Name	Phone	Email
Member Representative	Clifton Below	(603) 667-7785	Clifton.Below@LebanonNH.gov
Alternate Representative	Greg Ames	(508) 259-1829	tga@tga3.com
Principal Executive Officer	Shaun Mulholland	(603) 448-4220	shaun.mulholland@lebanonnh.gov

CPCNH’s Principal Representative, for purposes of communicating with the Member on any matter associated with the performance of the Services set forth hereunder, shall be CPCNH’s Chief Executive Officer, or in the absence thereof, the Chair of the Board of Directors.

Title	Name	Phone	Email
Chief Executive Officer			
Board Chair	Clifton Below	(603) 667-7785	Clifton.Below@cpcnh.org

The Parties shall update the Principal Representatives identified in this section by submitting written notice by electronic mail to the other Party, which shall be promptly acknowledged, and such updates shall not be considered an amendment to this Agreement.

ARTICLE X

Amendments

Article IV of the Cost Sharing Contract requires that “*all executed [Member Services] Agreements between CPCNH and each Member that has elected the same service must be uniform in all material respects*”; any material amendments to this Contract are subject to approval and incorporation by all Members that have executed Member Services Contracts for this Complete Service Bundle. CPCNH may update Appendices, and this Contract to incorporate any amendments to the Policies hereafter, neither of which constitute an amendment to this Contract.



ARTICLE XI

Attestation of Signing Authority; Execution

The Member has taken and performed all acts necessary and has received all necessary authorizations and approvals required to enter into this Contract and to bind the Member to the terms herein. The Member has attached a resolution of its governing body authorizing the execution of this Contract by the authorized signatory below, and any other authorization documents thereof. The authorized signatory represents that (i) this is a true, complete, and accurate list of all such necessary authorizations, approvals, actions and filings, (ii) the Member has provided true, complete, and accurate copies of the authorization documents to CPCNH as of the Effective Date, and (iii) other than the authorization documents, there are no other authorizations, approvals, filings or other actions required for Member to enter into this Contract, perform its obligations hereunder, and delegate authority to CPCNH to perform the Services.



IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be executed and attested by their respective officers thereunto duly authorized:

MEMBER: _____

By: _____

Title:

Name:

Date:

ATTESTATION: _____
Clerk

COMMUNITY POWER COALITION OF NEW HAMPSHIRE

By: _____
Chair of the Board

Name:

Date:

ATTESTATION: _____
Secretary of the Board

APPROVED AS TO FORM: _____
General Counsel to the Board

Authorization Documents:

1. Resolution of the Member's governing body authorizing the signatory's execution of this Member Service Contract, inclusive of all individuals named and duly empowered hereunder.
2. The Member's Approved Electric Aggregation Plan.



Appendix A

Decision-Making Framework: Member CPA Implementation

This Appendix summarizes how the decision-making framework for the Complete Service Bundle is intended to function during initial implementation of the Member's CPA. It identifies which decisions will be made collectively, and where the Member may make or delegate certain key decisions, including regarding: (i) choice of whether to procure power initially on the Member's behalf, (ii) choice of rate products offered to the Member's customers, (iii) choice of collecting additional financial reserves for the Member's sole use, and (iv) choice of termination of this Contract, before and after enrollment of the Member's customers.

Activities and decision-making are presented with reference to applicable Policy, in approximate sequential order:

Pursuant to this Contract:

1. CPCNH will assist or provide for the Member's public engagement efforts to market the program in advance of customer enrollment, and work with the Member to finalize marketing materials. The Member will receive a program logo, a content-populated website hosted on a Dot Gov address as follows: [Member].CommunityPowerNH.gov, and template marketing materials including FAQs, flyers, two-pagers, and public presentation decks.
2. The Member's committees, staff, and other individuals involved in the Member's public engagement will be provided with a Public Engagement Campaign handbook, offered training in media and public engagement, and provided direct support to carry out an effective campaign in advance of launch, including for the purpose of carrying out the public meeting required after customer notifications are sent.
3. CPCNH will complete all required utility testing and registration requirements, meet other statutory and rule requirement obligations, implement customer service functions, such as Interactive Voice Recording and live-agent call center services, and design, print, mail, and process customer opt-in and opt-out notices sent on behalf of the Member.

Pursuant to the Energy Portfolio Risk Management Policy, or, as noted, pursuant to this Contract:

4. The decision of whether or not to procure power, by commencing the execution of hedges in advance of the target launch date for any new Member CPAs, is a collective decision made by the Risk Management Committee. The decision is informed by then-current market conditions and the forward-looking analysis and advice of CPCNH's service provider for procurement, price risk forecasting and analysis, and portfolio management.
5. Under this Contract, the Member (1) may terminate this Contract, at any time, before CPCNH has first authorized procurement on behalf of the Member, and (2) may choose to designate an Authorized Officer to elect to delay commencing procurement on behalf of the Member's CPA. The Authorized Officer's election must be made during the Risk Management Committee meeting convened to consider authorizing the first transactions entered into by CPCNH on behalf of the Member, after review and discussion of current market conditions, transaction offers, and corresponding rate forecasts, and prior to the Committee vote.
6. Depending upon market conditions and transaction offers, CPCNH may procure sufficient power on the same day, or the Risk Management Committee may decide to authorize transactions for multiple transaction types, terms, and volumes, on a rolling basis for a period of time, in order to seek price advantages. Regardless, CPCNH will procure and cover its open positions to comply with the Hedge Ratios defined in the Energy Portfolio Risk Management Policy. (Hedge ratios are covered positions expressed as a percentage of load, calculated as fixed price purchases and supply resources divided by forecasted load; maintaining CPCNH's minimum and maximum hedge ratios provides a framework to manage market risk, by limiting CPCNH's net open exposure while allowing flexibility in procurement to maintain competitive rates over time.)
7. After procurement has concluded, rates will be calculated and set at a level that ensures the revenues from Member CPA customers are projected to meet or exceed CPCNH's ongoing operating and capital costs, inclusive of financial reserve targets pursuant to the Financial Reserves Policy.



Pursuant to the Retail Rates Policy, or, as noted, pursuant to this Contract:

8. The Risk Management Committee and Finance Committee shall each convene at least one public meeting to provide for deliberation and public input regarding changes to default rates, prior to rate setting. The CEO (or in the absence of the CEO, the Risk Management Committee, in consultation with the Finance Committee), will then recommend rates to the Board for approval. Advance written notice of Board meetings at which default rates are proposed shall be sent by the CEO or Board Chair to the Member's Principal Executive Officer.
9. The Member may then, in advance of or during the meeting at which rates are approved by the Board, elect to offer different rate products to its customers on a default and opt-in basis, per the framework summarized below:
- a) CPCNH shall offer the following rate products and contents to all Members:

PRODUCT	CONTENT *	MEMBER ELECTIONS
Granite Basic	Minimum RPS Content (23.4%)	Default, opt-down/in, or N/A**
Granite Plus	33% Renewable or Carbon Free	Default, opt-up/in, or N/A**
Clean 50	50% Renewable or Carbon Free	Opt-up/in or N/A
Clean 100	100% Renewable or Carbon Free	Opt-up/in or N/A

* Specified percentages are minimums (floors).

** One of these two products must be offered as Default Service.

- b) The Member's governing body, or if designated hereunder, the Member's Representative or an alternative Authorized Officer acting on the Member's behalf, may elect:
- Whether to offer "Granite Basic" or "Granite Plus" as a default product, by customer class or as otherwise determined by the Board and will be advised on the cost implications of such elections by CPCNH's CEO (or Board Chair). Absent any election, "Granite Basic" shall be set the Member's default product. If the Member elects "Granite Plus" as their default product, they may also elect to offer "Granite Basic" as an opt-down choice for customers seeking the most affordable rate product. Absent any election, "Granite Basic" shall be offered as an opt-down/in product.
 - Whether to offer "Clean 50" and/or "Clean 100" as opt-up/in products. Absent any election, "Clean 50" and "Clean 100" shall be offered as opt-up/in products.
 - Whether to increase their CPA's rates to include an adder for the accrual and use of Discretionary Reserves, which are financial reserves accrued and allocated for the Member's sole use pursuant to the Financial Reserves Policy.
- c) The Member acknowledges that (i) CPCNH may be unable to offer the ability to collect Discretionary Reserves during the initial months of operations following the launch of CPCNH's first Member CPAs, due to system implementation timeline constraints, (ii) the Member's elections are subject to approval by CPCNH's CEO, or in the absence of the CEO, the Board Chair, in advance of or during the meeting at which changes to default rates are approved by the Board.
10. Thereafter, CPCNH's Board and Committees will undertake a variety of activities pursuant to Energy Portfolio Risk Management Policy, Retail Rates Policy, and Financial Reserves Policy designed to ensure continuously monitoring and effective management of CPCNH's power portfolio and rate setting process. The Member may observe, inform, and/or participate directly in these decision-making processes on Board and committees pursuant to the Joint Powers Agreement. The Member will also regularly be afforded the option to decide upon rates in the manner provided for above, in all subsequent rate setting periods, pursuant to the Retail Rates Policy.
11. The Member may elect to terminate this Contract subject to advance notice and satisfaction of obligations thereof, as provided for under this Contract.



Appendix B

CPA Launch Process: Member Elections & Collective Decision-Making

CPCNH's Data Security and Privacy Policy, Energy Portfolio Risk Management Policy, Retail Rates Policy, and Financial Reserves Policy are summarized below, along with amendment procedures, for reference.

Current Policies are available to the Member upon request and publicly available on CPCNH's website.

1. Data Security and Privacy Policy.

CPCNH's Data Security and Privacy Policy defines the specific goals, requirements, and controls necessary to safeguard the confidentiality, integrity, and availability of confidential individual customer information, in compliance with RSA 53-E:4 (Regulation) and RSA 53-E:7 (Aggregation Program); RSA 363:38 (Duties and Responsibilities of Service Providers) and RSA 363:37 (Definitions); and RSA 359-C:20 (Privacy Policies for Individual Customer Data) and RSA 359-C:19 (Definitions); inclusive of procedures that require counsel review of any enacted changes to RSA 359-C (the New Hampshire Right to Privacy Act), RSA 91-A (Access to Governmental Records and Meetings), RSA 363:37-38 (Privacy Policies for Individual Customer Data), RSA 53-A:3 (Agreements Between Government Units, and RSA 53-E (Aggregation of Electric Customers by Municipalities and Counties) or other related statutes that may necessitate, in future, modifying or altering, or otherwise risk negating, the policy.

Note that Members must necessarily comply with applicable statutory and rule requirements prior to accessing individual customer information held in confidence by CPCNH on their behalf.

The Board of Directors may amend the policy by resolution at any time.

2. Energy Portfolio Risk Management Policy.

CPCNH's Energy Portfolio Risk Management Policy outlines the philosophies and objectives of the CPCNH Board of Directors in governing and making decisions necessary to provide the credit support, portfolio analytics, hedging, and daily operating activities required to implement and operate Member CPA power supply services. The Board must approve amendments to the EPRM Policy.

Advance written notice of Board meetings at which changes to the policy are proposed shall be sent to the principal executive officers of each Member by the CEO or Board Chair. Subsequently, any such amendment shall be sent to the principal executive officers of each Member by the CEO or Board Chair.

Pursuant to the policy, CPCNH's Risk Management Committee is responsible for ensuring the development and maintenance of CPCNH's Energy Portfolio Risk Management Regulations (EPRM Regulations) to expand on the roles, strategies, controls, and authorities authorized in the policy to form a comprehensive energy risk management program. After the EPRM Regulations are initially approved by the Board, the regulations may be amended with approval of the CEO, in consultation with the RMC, provided that the CEO sends prompt written notice to the Board of any such amendments.

The Member may directly participate on CPCNH's Board of Directors and Risk Management Committee pursuant to the Joint Powers Agreement.

3. Financial Reserves Policy.

CPCNH's Financial Reserves Policy establishes minimum, target, and maximum levels of cash reserves that will be jointly accrued, used, maintained, and monitored by CPCNH, on behalf of all Members ("Joint Reserves"), and provides for the collection of Joint Reserves in excess of the maximum target joint reserve level to be applied at the discretion of individual Members ("Excess Reserves"). Separately, the policy allows for the collection and use of additional reserves at the sole discretion of each individual Member ("Discretionary Reserves").



The Board of Directors may, by resolution, modify or suspend any provision of the policy for any duration at any time, except that the provisions under the section governing amendments and the section “Rights of Members to Reserve Contributions” may only be modified or suspended by a written amendment unanimously approved by the votes cast at a meeting of the Membership at which a quorum is present. In the event such an amendment is proposed, CPCNH’s CEO or Board Chair shall send written notice to the Member Representatives and principal executive officers of each Member at least fourteen (14) days prior to such meeting at which it is to be acted upon. Subsequently, prompt written notice of the effective date of such amendment or suspension shall be sent to the Member Representatives and principal executive officers of each Member by the CEO or Board Chair.

4. Retail Rates Policy.

CPCNH’s Retail Rates Policy outlines the requirements, objectives, rate setting authorities, rate setting processes, Member rate product and Discretionary Reserve adder election procedures, and different types of rate structures, products, and product content offered to the Member hereunder.

The CEO, in consultation with the Risk Management Committee and the Finance Committee, or in the absence of the CEO, the Risk Management Committee, in consultation with the Finance Committee, shall recommend default rates to the Board for approval with sufficient notice to be implemented commensurate with regulated default utility rate changes, or otherwise as deemed necessary to support the requirements and objectives of the policy. The Risk Management Committee and Finance Committee shall each convene at least one public meeting to provide for deliberation and public input regarding changes to default rates. The Member acknowledges that CPCNH’s Board is required to approve, when necessary to maintain the financial integrity of CPCNH, emergency rate adjustments. Prompt written notice of emergency rate adjustments shall be sent to the principal executive officers of each Member by the CEO, or in the absence of the CEO, the Board Chair.

The Member may directly participate on CPCNH’s Board of Directors, Finance Committee, and Risk Management Committee pursuant to the Joint Powers Agreement.

The Board of Directors must approve amendments to the Retail Rates Policy. Advance written notice of Board meetings at which changes to the policy are proposed shall be sent to the principal executive officers of each Member by the CEO. Subsequently, prompt written notice of the effective date of such amendment shall be sent to the principal executive officers of each Member by the CEO



Appendix C

CPCNH Service Contracts

CPCNH's current contracts with all service providers and consultants are accessible online, under "Key Documents" at:

<https://www.cpcnh.org/about>



EXHIBIT D: TEMPLATE COST ALLOCATION REPORT

[Insert upon commencement of CPA service]



EXHIBIT E: TEMPLATE REPORT GLOSSARY

[Insert upon commencement of CPA service]



EXHIBIT F: PROJECT CONTRACTS EXECUTED BY MEMBER



**Lebanon Community Power
Electric Aggregation Plan**



**As Approved by the Lebanon City Council
on
September 15, 2021
& amended on
June 15, 2022**

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OVERVIEW OF LEBANON COMMUNITY POWER

Lebanon Community Power is a program authorized under RSA 53:E to provide electricity supply service for the City's residents, businesses, and other types of customers. Providing electricity supply involves being responsible for procuring electric generation (supply) to match customer loads (consumption) in real time, except when the grid goes down. The program will only launch if it is able to initially offer residential default rates that are lower than or competitive with those offered by Liberty Utilities. Thereafter, the program will:

- Serve as the default electricity supplier for all customers on a default "opt-out" basis;
- Offer innovative services and generation rates to customers on an "opt-in" or "opt-up" basis (such as 100% renewable premium products, time-varying rates and Net Energy Metering generation credits for customers with solar photovoltaics);
- Operate on a competitive basis, in that customers may choose to switch between Lebanon Community Power, service provided by Competitive Electric Power Suppliers, and utility-provided default service; and
- Be self-funded through revenues generated by participating customers; the City will not use taxes to cover program expenses.

Liberty Utilities will continue to own and operate the distribution grid and be responsible for delivering power to all customers within the City. Customers will continue be charged for utility delivery services at rates set by the Public Utilities Commission.

The City Council, in coordination with advisory support from the Lebanon Energy Advisory Committee (LEAC), will authorize the City Manager to contract for the necessary services and power supplies to implement and operate the program; ~~set customer rates prior to program launch~~ and continue to provide oversight over the program thereafter.

Customer Notification and Enrollment Process

Prior to launch of Lebanon Community Power, all eligible customers will be mailed notifications and provided the opportunity to "opt-out" or "opt-in" to the program, depending on whether they currently are on default service provided by Liberty Utilities or take service from a Competitive Electric Power Supplier:

- Customers already served by Competitive Electric Power Suppliers will be notified and may request to "opt-in" to the program; and
- Customers currently on default energy service provided by Liberty Utilities will be notified, provided the opportunity to decline participation ("opt-out"), and thereafter transferred to Lebanon Community Power if they do not opt-out.

Notifications to customers on utility-provided default service will include the initial fixed rate for the program's default service compared with the Liberty's rate, be mailed to customers at least 30 days in advance of program launch and provide instructions for customers to decline participation (for example, by return postcard, calling a phone number or using a web portal).

After the launch of Lebanon Community Power, any new customers starting service within the City will be given a similar opt-out notice and will be transferred onto default service provided by the program, unless they choose to take energy service from Liberty Utilities or a Competitive Electric Power Supplier.

Members' representatives at annual meetings (with a Board size of between 11 and 21 representatives, at the Members' direction).

Additionally, to exercise more regular oversight over specific aspects of the joint powers agency, the Coalition will have six standing committees as it develops: Executive, Finance, Audit, Regulatory and Legislative Affairs, Risk Management, and Governance. The Board may also establish ad-hoc committees, and each direct project that members choose to pursue in the future will be overseen by a committee specific to that project.

All meetings of the Coalition will comply with New Hampshire's Right-to-Know Law (RSA 91-A), the purpose of which is to *"ensure both the greatest possible public access to the actions, discussions and records of all public bodies, and their accountability to the people"*, based on the recognition that *"openness in the conduct of public business is essential to a democratic society."*

~~Development-Execution of Member-Cost Sharing Agreement and Member Services Contract for Lebanon Community Power~~

Under the terms of New Hampshire's Community Power law ([RSA 53-E](#)):

- Community Power programs must be self-funded, with ongoing costs paid for using the revenues generated by participating customers.
- Municipalities are only allowed to incur incidental costs associated with implementing Community Power programs, such as the costs necessary to comply with the Community Power law, up to the time that the program starts to produce revenue from participating customers. Incidental costs should not include any costs that are more properly accounted for as capitalized or operating costs of the Lebanon Community Power program.

Membership in the Coalition, and the implementation of Lebanon Community Power, will not require any upfront cost for the City other than such incidental expenses (e.g., the staff time, counsel review of agreements, and other expenses required to comply with the Community Power law before the program starts to generate revenue).

~~To~~ The Coalition will contract for and provide the services, credit support and electricity supply required to launch and operate Lebanon Community Power, such that:

- ~~• The Coalition will administer competitive solicitations on behalf of all participating Community Power programs to contract with qualified vendors and credit-worthy suppliers.~~
- Vendors are expected to will fund and self-manage the upfront cost of launching Community Power programs, under at-risk and performance-based contract structures with payments contingent upon successful launch.
- Program implementation costs for Lebanon, along with ongoing operational and power procurement expenses, will be factored into the customer rates adopted by the City Council and be recovered from the revenues received from participating customers after the launch of Lebanon Community Power.

Similar solicitations and at-risk, performance-based contract structures have been used to successfully launch and operate new joint powers agencies in other Community Power markets.

Lebanon's representatives on the Coalition's Board of Directors are participating in the solicitation of services, agency startup activities and the development of a cost-sharing agreement with other founding members.

The Coalition's Joint Powers Agreement provides certain requirements regarding how costs will be tracked and shared across participating Community Power programs, which ~~will guide the development of the~~ are reflected in the Coalition's cost-sharing agreement:

- Costs will be tracked in three distinct categories: direct project costs, member services, and general and administrative costs (which are overhead costs that are not associated with any specific project or member service);
- Member cost-sharing agreements ~~will~~ must be the same in all material respects: general and administrative costs will be allocated based on each Community Power program's share of total electricity usage each year, while each member will choose and separately pay for the costs of specific services and projects (under terms that reflect a fair allocation across all the members that chose the same services and projects); and
- The debts, liabilities and obligations of the Coalition, and of other participating Community Power programs, will be non-recourse to Lebanon (unless expressly agreed to by the City Council under Lebanon's Cost Sharing Agreement or a Project Contract).

To proceed with launching and operating Lebanon Community Power through the Coalition:

- The City Council would review and approve execution of the Coalition's Cost Sharing Agreement and Member Services Contract, along with the Data Security and Privacy Policy and the Energy Portfolio Risk Management, Retail Rates, and Financial Reserves policies approved by the Coalition's Board of Directors.
- The Coalition would provide the services and credit support necessary to launch and operate Lebanon Community Power (along with the programs of other municipalities across the state) and would provide all-requirements electricity to customers participating in the programs.
 - Confidential customer data would be handled in accordance with the Data Security and Privacy Policy.
 - Power procurement and energy portfolio risk management, rate setting, and the accrual of financial reserves for the program would be carried out in accordance with the Coalition's Energy Portfolio Risk Management, Retail Rates, and Financial Reserves policies.
 - The Coalition would collect revenues from program customers on the City's behalf and would recover expenses incurred on behalf of Lebanon Community Power in accordance with the Cost Sharing Agreement.
- Governance of the power agency would be carried out pursuant to the Coalition's Joint Powers Agreement. The Board of Directors and committees of Member Representatives — the Executive Committee, Finance Committee, Risk Management Committee, Member Operations and Engagement Committee, Regulatory and Legislative Affairs Committee, etc. — would continue to meet regularly and carry out their responsibilities to provide oversight and direction, supported by a qualified CEO and staff experts hired to provide day-to-day oversight and management the agency's service providers, operations, planning, and program development activities.

The Coalition ~~intends to contract for all the services required to launch and operate member Community Power programs, which~~ is expected to enable access to advanced services and expertise at least cost for Lebanon Community Power. However, note that:

- The City will be under no obligation to rely on the services provided through the Coalition until

the City Council executes the Coalition's cost-sharing agreement and chooses which services will be provided through the Coalition.

- At that time, the City Council may decide to rely on the Coalition for all ~~or a subset of~~ the services required to launch and operate Lebanon Community Power.
- Alternatively, the City Council could decide to withdraw from the Coalition entirely, prior to [the point at which power procurement is authorized on behalf of Lebanon Community Power, and executing the cost sharing agreement](#), and launch Lebanon Community Power independently [without any cost or continuing financial obligations to the Coalition](#).
- Lastly, after Lebanon Community Power launches, the City could still decide to procure certain services independently or to withdraw from the Coalition at a future date, subject to the terms, conditions and any continuing obligations specified in the cost-sharing agreement [and member services contract](#) approved by the City Council.

Decisions made by the City Council regarding how to best implement and operate Lebanon Community Power, including the execution of the Coalition cost-sharing agreement and selection of services provided through the Coalition, will be made at duly noticed public meetings.

Coalition Engagement on Rule Making at the Public Utility Commission

Lebanon Community Power will launch after administrative rules governing Community Power are adopted by the Public Utilities Commission. Rules are expected to require submission of Lebanon's Electric Aggregation Plan to the Commission in order to:

- Provide formal notice that the City is planning to launch a Community Power program; and
- Authorize the City to request access to additional customer data from Liberty Utilities that will be needed for the implementation and administration of Lebanon Community Power.

Over the course of 2020, Lebanon and other communities and advisors of the Coalition have actively participated in the informal rule drafting process by providing initial and subsequent sets of draft rules for review and refinement, arranging, and facilitating bilateral meetings with utilities and other stakeholders, and leading stakeholder workshop discussions and editing sessions at the request of Public Utilities Commission staff.

Lebanon and the Coalition then worked with legislators and utilities to clarify Community Power authorities in House Bill 315. The City also worked with Eversource and Commission staff during this period to revise draft rules in anticipation of final passage of the bill (which modifies certain rule requirements), and which occurred on 8/26/21.

On December 1, 2021, the Coalition then submitted a petition for rulemaking to implement RSA 53-E for Community Power Aggregations, which was filed on behalf of the Coalition's Members and other stakeholders that had been invited to join the petition. The Commission approved the petition in Docket [DE 21-142](#)¹ and issued an Initial Proposal on February 3, 2022, putting forward the Coalition's recommended rules for public review and comment. Lebanon Community Power and the Coalition actively participated in the review and public comment process proceeding the Commission's issuance of a Final Proposal for CPA Administrative Rules.

¹ See https://www.puc.nh.gov/Regulatory/Docketbk/2021/21-142/LETTERS-MEMOS-TARIFFS/21-142_2022-03-14_CPCNH_COMMENTS.PDF.

ELECTRIC AGGREGATION PLAN STATUTORY REQUIREMENTS

The following requirements for this Electric Aggregation Plan, in compliance with RSA 53-E:6, are addressed below:

- A. Organizational structure of the program;
- B. Methods of entering into and terminating agreements;
- C. Operation and funding;
- D. Rate setting, costs, and customer enrollment process;
- E. Rights and responsibilities of program participants;
- F. Net metering and group net metering policies;
- G. Ensuring discounts for Electric Assistance Program participants; and,
- H. Termination of program.

Organizational Structure of the Program

Upon approval of this plan, Lebanon Community Power will be authorized to provide electricity and other related services to participating residents, businesses, and other customers in the City.

The City Council will oversee the program and has overall governance authority. Decisions regarding Lebanon Community Power, such as updating program goals, adoption of ~~Energy Risk Management and Financial Reserve policies~~ [Energy Portfolio Risk Management, Retail Rates, and Financial Reserve policies \(to govern the program's power procurement and rate-setting decisions\)](#) ~~and approval of customer rates,~~ will be made at duly noticed public meetings and with advisory support from LEAC.

Once the joint powers agency is incorporated, the Mayor, in consultation with the City Manager will appoint a primary and alternate representative to the Community Power Coalition of New Hampshire's Board of Directors and may delegate certain decision-making authorities to them [and other authorized individuals](#) to carry out their responsibilities at the City Council's direction.

In general, Lebanon's representatives will be expected to help oversee the start-up and operation of the agency, provide input regarding the Coalition's public advocacy on matters of policy and regulation, provide direction to the Coalition's staff and vendors as the agency's operations and customer services evolve over time, and report back regularly regarding the performance of Lebanon Community Power and on any matter that warrants attention or requires action by the City Council.

Additionally, the City Council may direct LEAC to continue to hold meetings for the purpose of providing community input and advisory support regarding the program.

Methods of Entering into and Terminating Agreements

This Electric Aggregation Plan authorizes the City Council to negotiate, enter into, modify, enforce, and terminate agreements as necessary for the implementation and operation of Lebanon Community Power.

Operation and Funding

Lebanon Community Power will contract with qualified vendors and credit-worthy suppliers to provide the services, credit support and electricity required to launch and operate the program.

This plan assumes, but does not require, Lebanon to participate fully in the Coalition and thereby contract for operational services jointly with other participating Community Power programs.

The Coalition's third-party contractors will be expected to fund the upfront cost of implementing Lebanon Community Power, the expense of which will be amortized and recovered in the program's rates and charges to participating customers. The program may also seek opportunities to apply for grant funding, either independently or through the Coalition.

Services provided by third-party entities required to launch and operate the program may include portfolio risk management advisory services, wholesale Load Serving Entity (LSE) services, financial services, electronic data interchange (EDI) services with the utility, and customer notification, data management, billing, and relationship management (e.g., call center, website, etc.) services. Additional information on how Lebanon Community Power will implement Load Serving Entity (LSE) services is found in [Attachment 9](#), *How Load Serving Entity Services will be Implemented*.

Additional support services such as management and planning, budgeting and rate setting, local project development support, regulatory compliance, and legislative and regulatory engagement services (on matters that could impact the program and participating customers) will be addressed through a combination of staff support and third-party services.

Lebanon Community Power will provide "all-requirements" electricity supply for its customers, inclusive of all of the electrical energy, capacity, reserves, ancillary services, transmission services (to the extent not provided through Liberty), transmission and distribution losses, congestion management, and other such services or products necessary to provide firm power supply to participants and meet the requirements of New Hampshire's Renewable Portfolio Standard. (Refer to [Attachment 3](#) for details regarding the requirements of Renewable Portfolio Standard statute, RSA 362-F.)

~~Electricity supply contracts will be executed or guaranteed by investment-grade entities, and suppliers will be required to use proper standards of management and operations, maintain sufficient insurance, and meet appropriate performance requirements.~~

~~If a single supplier is relied upon to provide all-requirements electricity on behalf of Lebanon Community Power, then (1) the supply contract will be executed or guaranteed by entities that possess at least a BBB- or equivalent investment-grade rating issued by a nationally recognized statistical rating organization (NRSRO), and (2) the supplier will be required to use proper standards of management and operations, maintain sufficient insurance, and meet appropriate performance requirements for the duration of the supply contract. Alternatively, if a portfolio of contracts with multiple entities is structured to diversify counterparty credit risk exposure, and actively managed to provide for all-requirements electricity on behalf of Lebanon Community Power, then counterparty credit requirements and monitoring, hedging transaction authorities, residual ISO-NE market exposure limits, and reporting requirements will be carried out in accordance with Energy Portfolio Risk Management, Rates, and Financial Reserves policies that would be established prior to commencing procurement and implementing the program.~~

Additionally, RSA 53-E provides Community Power programs with authorities pertaining to meter ownership, meter reading, billing, and other related services. These authorities provide Lebanon Community Power with the practical ability to help customers adopt and use innovative technologies (for example, building management systems, smart thermostats, backup battery storage systems, controllable electric vehicle chargers, etc.) in ways that save money, enhance grid resiliency, and decarbonize our power supply.

However, the implementation of these authorities is expected to take some time, as it requires action by the Public Utilities Commission to adopt enabling rules and coordination with Liberty Utilities to adapt existing meter and billing system processes.

Rate Setting, Costs, Enrollment Process, and Options

Customers who choose not to participate in Lebanon Community Power shall not be responsible for any costs associated with the program, apart from incidental costs incurred by the City prior to the point at which the program starts producing revenue from participating customers (for example, contract review by legal counsel, but not any operational or capitalized costs of the program).

Rate Setting and Costs

Lebanon Community Power will only launch if it is able to offer residential default rates that are initially lower than or competitive with those offered by Liberty Utilities; thereafter, the program will strive to maintain competitive rates for all default service customers on an overall annual basis, as well as customers who opt-in or opt-up to receive optional retail products, while working to achieve the program's goals (as set forth in this Electric Aggregation Plan and modified from time to time at the direction of the City Council).

The City Council will adopt ~~Energy Risk Management and Financial Reserve policies~~ [Energy Portfolio Risk Management, Retail Rates, and Financial Reserve policies](#) to govern the program's power procurement and rate-setting decisions. Rates will be set at a level such that revenues from participating customers are projected to meet or exceed the ongoing operating and capital costs of the program.

To ensure the financial stability of Lebanon Community Power, a portion of revenues will be deposited in a financial reserve account. In general, the fund will be restricted for uses such as:

- **In the near-term**, maintain competitive customer rates in the context of price fluctuations in the electricity market and other factors;
- **In the medium term**, as collateral for power purchase agreements (including for the development of new renewable and battery storage projects), and for additional credit enhancements and purposes that lower the program's cost of service; and
- **Over the long term**, may also be used to directly fund other program financial requirements, or to augment the financing for development of new projects and programs in the later years of the program, subject to the City Council's approval.

As required by law, the program will ensure the equitable treatment of all classes of customers, subject to any differences arising from varying opportunities, tariffs, and arrangements between different electric distribution utilities in their respective franchise territories.

In other words, customers will be treated the same based on their circumstances. For example, any customers that opt-in after being offered the opportunity to participate during the initial enrollment period may be offered rates that reflect how market prices have changed in the intervening period.

Changes to the program's default service rates shall be set and publicly noticed at least 30 days in advance of any rate change.

Enrollment Process and Options

Lebanon Community Power intends to launch on an opt-out basis, providing an alternative default service to the utility provided default service rate. After approval of this Electric Aggregation Plan and before the launch of Lebanon Community Power, all customers in the City will be sent notifications regarding the program and offered the opportunity to participate:

- **Customers currently on default service provided by Liberty Utilities** will be sent “opt-out” notifications — describing the program, its implications for the City, the rights and responsibilities of customers, and program rates and charges — with instructions on how to decline participation, and thereafter be transferred to Lebanon Community Power if they do not opt-out of the program prior to launch.
- **Customers already served by Competitive Electric Power Suppliers** will receive “opt-in” notifications describing the program and may request to opt-in to the program.

If Liberty Utilities has not fully implemented Public Utilities Commission rules and procedures governing Community Power Aggregation service, certain groups of customers on default service provided by Liberty may need to be offered service on an opt-in basis, and/or offered service on an opt-out basis at a future date. For example, if Liberty is unable to reliably provide Lebanon Community Power with the data on customer-generators necessary to offer Net Energy Metering (NEM) rates and terms, then Lebanon Community Power may initially choose to not enroll customer-generators on an opt-out basis, as doing so could risk negatively impacting NEM customer billing and crediting procedures.

Customers will be notified through a mailing, which will be posted not less than 30 days prior to the enrollment of any customers. All information will be repeated and posted at the City’s Community Power website. A public information meeting will be held within 15 days of the notification to answer program questions or provide clarification.

Optional products, such as increased renewable power content in excess of the Renewable Portfolio Standard (RPS) requirements and other energy services, including time varying rates, may be offered on an opt-in basis.

After launch and in accordance with any applicable rules and procedures established by the Public Utilities Commission, new customers will be provided with the default service rates of Liberty Utilities and Lebanon Community Power and will be transferred onto Lebanon Community Power’s default service unless they choose to be served by Liberty Utilities or a Competitive Electric Power Supplier.

Customers that request to opt-in to the program may do so at the discretion and subject to the terms of Lebanon Community Power.

Residents, businesses, and other electricity customers may opt-out of participating in Lebanon Community Power default service at any time, by submitting adequate notice in advance of the next regular meter reading by Liberty Utilities (in the same manner as if they were on utility provided default service or as approved by the Public Utilities Commission).

Customers that have opted-in to an optional product offered by Lebanon Community Power may switch back to the Liberty Utilities or to take service from a Competitive Electric Power Supplier subject to any terms and conditions of the optional product.

AGENDA LEBANON CITY COUNCIL JANUARY 04, 2023

10. NEW BUSINESS:

10.D – REVIEW OF PROPOSED ZONING AMENDMENTS FOR COUNCIL ADOPTION AND THOSE TO BE PLACED ON THE 2023 MUNICIPAL BALLOT

BACKGROUND

At the October 5, 2022 meeting, the City Council was presented with a number of proposed amendments to the Zoning Ordinance. The Council took action to accept the amendments as presented and forwarded them for review and comment by the Planning Board, Conservation Commission, and Zoning Board of Adjustment. Legal review has been obtained, and all boards have completed their review. Attorney Johnston's legal opinions along with excerpts of Land Use Boards' meeting minutes are attached for your review. A public hearing pursuant to Section 1000.3.D of the Zoning Ordinance is requested for January 18, 2023 (scheduled as part of Council's prior action on October 5th).

The purpose of this meeting is to present the final version of the proposed amendments to be considered by the Council at the upcoming public hearings. Some of the proposed amendments are under the authority of the Council, others require placement on the municipal ballot for consideration by voters. All of the amendments are addressed in the attached comprehensive memorandum drafted by Planning Department Staff. As a reminder, the Council has the authority to place any of the proposed amendments on the ballot, including those that are under the Council's sole purview.

Once the proposed amendments are finalized, they will be posted as part of the public hearings. Once posted, all applications to the Land Use Boards and all Building/Zoning Permit applications will be subject to the provisions of both the existing Zoning Ordinance and the proposed amendments. The proposed amendments will be posted by January 7, 2023.

ACTION

If the Council decides to move forward with the proposed amendments, the following motion is offered for consideration:

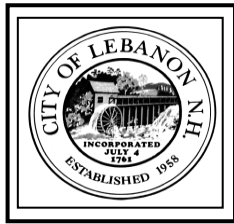
MOVED, that the Lebanon City Council hereby schedules public hearings for Wednesday, January 18, 2023, beginning at 7:00pm, in Council Chambers, City Hall, and remote via the City's Virtual Platform, for the purpose of receiving public input and taking action to:

- 1. Adopt certain amendments to Ordinance #2, the City of Lebanon Zoning Ordinance; and***
- 2. Place other proposed amendments to Ordinance #2 on the March 2023 municipal ballot for consideration by Lebanon Voters.***

Included in this Section:

1. December 22, 2022 Memo to the Lebanon City Council from Planning & Development Department Staff re: 2022-2023 Proposed Zoning Amendments which includes the following:

- 2022-2023 Proposed Zoning Ordinance Amendments (Red-lined Version, last revised December 21, 2022)
 - November 15, 2022 Legal Opinion from Attorney Christine (Fillmore) Johnston
 - December 21, 2022 Legal Opinion from Attorney Christine (Fillmore) Johnston
 - Excerpt of Planning Board meeting minutes from November 21, 2022
 - Excerpt of Conservation Commission meeting minutes from December 8, 2022
 - Excerpt of Zoning Board of Adjustment meeting minutes from November 22, 2022
 - Excerpt of Planning Board meeting minutes from December 19, 2022
2. Letter from the Lebanon Energy Advisory Committee



CITY OF LEBANON ~ PLANNING & DEVELOPMENT

MEMORANDUM

TO: Lebanon City Council

CC: Shaun Mulholland, City Manager
David Brooks, Deputy City Manager

FROM: Planning and Development Department Staff

RE: 2022-2023 Proposed Zoning Amendments

DATE: December 22, 2022

Honorable Mayor and City Councilors,

Since the City Council kicked-off the zoning amendment process on October 5th, the Planning and Development Department has coordinated with legal counsel and has met with the Land Use Boards for review and comment on the proposed changes to the Zoning Ordinance. Additionally, staff held public informational meetings at the Lebanon Library on November 15th and in City Council chambers on December 20th to discuss and answer questions about the proposed amendments. Staff has made some revisions to the amendments (as described below) based on the comments from legal counsel and the Land Use Boards and other public input.

The draft text amendments are highlighted in the attached red-lined excerpt of the Zoning Ordinance, dated last revised 12/21/22. New or revised text is blue and underlined. Text to be deleted is shown as ~~red with a strike-out~~. Note that terms that are defined in Appendix A of the Zoning Ordinance appear in ***bold italics***. Also attached are copies of the relevant portions of the Planning Board, Conservation Commission, and Zoning Board of Adjustment minutes for the meetings at which the amendments were discussed. Note that the Planning Board's discussion occurred on November 21st and December 19th. The minutes for the December 19th meeting are not yet available at the time of the writing of this staff memo, but will be provided to the Council at or before the January 4th meeting.

An overview of the proposed amendments is set forth below. Please note that miscellaneous minor amendments that appear throughout the attached redline – such as correcting punctuation, and correcting references in the Zoning Ordinance necessitated by other amendments – are not specifically reviewed in this memo.

OVERVIEW OF AMENDMENTS

The proposed amendments are grouped into three general categories: amendments that require or may require placement on the March 2023 ballot for approval by the voters, text amendments that can be approved by the City Council, and a Zoning Map amendment that can be approved by the City Council.

A. BALLOT AMENDMENTS

In whole or in part, each of the following amendments either directly or indirectly impact the residential district tables of uses and dimensional requirements and, therefore, require voter approval per Section 1000.4.A of the Zoning Ordinance.

1. Adopt proposed Section 509 (“Cottage Developments”) (*see p. 11-13 of the redline*).

As specifically requested by the City Council in the April 21, 2022 directive to the City Manager, the purpose of this new section is to provide opportunities for single family housing that is smaller, more energy efficient, and more affordable, while promoting projects that ensure compatibility with surrounding land uses. Cottage developments are proposed to be allowed by conditional use on lots of at least one-half acre in size in the R-1, R-2, R-3, R-O, and R-O-1 Districts subject to the availability of appropriate utilities. To incentivize cottage development and help ensure economic viability, a higher density of 2,500 sq. ft. per unit is permitted. In return, the development must comply with the standards set forth in Section 509, which include limitations on the gross floor area of each unit, building design standards, minimum requirements with respect to common open space, and the screening of parking areas.

Adoption of the proposed cottage development section is specifically identified in the Master Plan as a strategy to help meet the Master Plan’s goal of providing a range of housing options that will support the City’s continued economic vitality and a diverse population. See 7.1.S15 (“Explore cottage or bungalow development strategies to promote, smaller, more energy-efficient, more affordable dwellings with limited size and footprint.”). Enabling cottage housing developments would help implement multiple additional strategies identified in the Master Plan including the following:

- Allow for appropriate infill and increased density within existing neighborhoods while preserving neighborhood character. (2.3.S1; 2.3.A1)
- Encourage diversification in neighborhoods. (7.1.S13; 7.1.S14; 7.1.S16; 7.2.S8)
- Encourage new housing to be located close to urban centers, employment areas, infrastructure, services, and transit and to positively contribute to existing neighborhoods. (2.2.S1; 7.1.A8; 7.1.S23; 7.1.S24)
- Identify neighborhoods that have the characteristics suitable as redevelopment areas or pods and assess whether zoning changes are needed to allow for infill or redevelopment. (2.3.A1)
- Review and amend the City’s Zoning Ordinance as needed to encourage more intensive redevelopment of existing residential and non-residential areas and to discourage development in undeveloped areas. (6.1.A7)
- Promote balanced land use that preserves the City’s outlying rural character and directs development toward its urban and densely settled residential cores. (2.1.S1; 2.2.S1; 2.2.S2)
- Guide development into existing areas as designated in the Land Use chapter to protect outlying rural areas and open space lands. (5.1.S1; 7.2.A7)

Related amendments include:

- a. **Section 205** to allow more than one principal building on a lot when proposed as part of a cottage development (*see p. 1 of the redline*).
- b. **Section 500** to add cottage development to the Planned Development table (*see p. 7 of the redline*).
- c. **Appendix A** to add definitions of cottage and cottage development (*see p. 20 of the redline*).

At their meeting on December 19, 2022, the Planning Board adopted a motion in support of the proposed cottage housing regulations, with a proviso that the Council consider emphasizing that such developments are designed in accordance with New England aesthetics.

2. **Revise the manufactured housing regulations, Sections 503 and 504** (*see p. 8-9 of the redline*). The Zoning Ordinance allows manufactured housing only when located within a manufactured housing park, a manufactured housing PURD, or a manufactured housing subdivision. Recognizing that manufactured housing is an avenue to affordable home ownership opportunities, the purpose of the proposed amendments to Sections 503 and 504 is to enable additional manufactured housing development within the City that is comparable to the manufactured housing projects that already exist. To that end, the amendments:
- a. Increase the permitted density of a manufactured housing development to 5,000 sq. ft. per unit, which is approximately the average density of the City's three existing manufactured home parks (note that this does not apply to manufactured home parks in the R-1 District which allows density of more than 5,000 sq. ft. per unit); and
 - b. Revise the manufactured housing park regulations and standards to more closely reflect existing conditions at the City's three existing manufactured housing parks, which were otherwise substantially out of compliance with the requirements of Section 503.

Also, since there is no discernible benefit to either the property owner or to the City in allowing manufactured housing subdivisions that aren't also PURDs, the proposed amendments streamline the manufactured housing regulations by removing the manufactured housing subdivision option.

Finally, to further encourage the development of manufactured PURDs (which provide a substantial benefit to the development and the community by requiring that 50% of the lot is protected as open space), the proposed amendment to Section 507 allows the Planning Board to approve a density bonus for the use of that option (*see Council amendment #3 below*).

Related amendments include:

- c. **Sections 209, 308.2, 312.2 and 313.2** to update the names of the manufactured housing use categories and remove references to "manufactured home subdivision".
 - d. **Section 500** to update the Planned Development table (*see p. 7 of the redline*).
 - e. **Section 501.2.C** to clarify the permitted uses within a manufactured housing PURD (*see p. 8 of the redline*).
 - f. **Appendix A** to amend the definitions of "classification of lots," "dwelling," "dwelling unit," "manufactured housing park," "manufactured housing PURD," and "traditional subdivision," and to remove "manufactured housing subdivision" (*see p. 20-23 of the redline*).
3. **Amend Section 314.2, the RL-3 District Table of Uses** to change "accessory use to any one-family dwelling" from a use allowed by Special Exception to a permitted use. Currently, a Special Exception from the Zoning Board of Adjustment is required to construct or install accessory structures for one-family dwellings located in the RL-3 District. This includes sheds, detached garages, and pools. The proposed amendment would allow such accessory uses and structures "by right" rather than requiring approval from the Zoning Board. The RL-3 District dimensional regulations - including setback and building coverage requirements - would continue to apply and a zoning and building permit would still be required for any such structures (*see p. 6 of the redline*).

4. **Amend Section 610 (“Accessory Dwelling Unit (ADU)”)** to allow an accessory dwelling unit for an owner-occupied two-family dwelling. Since adoption of Section 610 in 2013, only a modest number of ADUs have been constructed. To make ADUs more viable for the City’s property owners, the ADU regulations have been modified over the past several years to reduce regulatory hurdles and to provide more flexibility. As part of its ongoing efforts to encourage ADUs and to provide additional opportunities for affordable housing, and in response to multiple inquiries the Planning & Development Department has received over the past year, staff proposes to expand Section 610 to allow ADUs for owner-occupied two family-dwellings, in addition to allowing ADUs for owner-occupied one-family dwellings. Additional language has been added to clarify that the dwelling unit density requirements of the underlying zoning district shall not apply to accessory dwelling units (*see p. 16-17 of the redline*).

B. COUNCIL TEXT AMENDMENTS

1. **Add “equipment and machinery sales, rental and service,” as a new use category.** A developer has expressed interest in developing property located near the Airport for an equipment rental business, which is not currently a use identified in the Zoning Ordinance. Staff proposes to create such a category and to allow it as a permitted use in the Light Industrial District which includes similar and compatible uses. The proposal is to:
 - Amend Section 303.2 to allow “equipment and machinery sales, rental and service,” as a permitted use in the IND-L District, and amend Section 303.4 to require screening for any related outdoor storage (*see p. 2 of the redline*).
 - Amend Appendix A to provide a definition for “equipment and machinery sales, rental and service.” (*see p. 21 of the redline*).
2. **Amend Section 608** (*see p. 16 of the redline*) to allow properties that are within 100 feet of the Interstate 89 right-of-way and that have an existing freestanding sign that is non-conforming due to its height to have one additional freestanding sign in conformance with the requirements of Section 608 (which would otherwise be prohibited). The proposed language in Section 608 was prepared at the recommendation of the City’s legal counsel and replaces the “Highway Commercial District” concept originally presented to the Council on October 5th.

Within the vicinity of I-89 Exit 20 there are four freestanding signs that range in height from 55 ft. to 75 ft. and, as such, they are non-conforming to the current requirements of Section 608 (“Signs”). The height and size of these signs is conducive to attracting customers from I-89, but cannot be practically utilized to provide necessary signage at street level. Recognizing that these signs are legal non-conforming and are permitted to remain, the proposed amendment would allow a second freestanding on each property within close proximity to I-89, whereas each property is otherwise permitted to have only one freestanding sign. The purpose of the amendment is to allow these select properties to have a second freestanding to serve street-level customers, in addition to any existing freestanding sign that is non-conforming to the 25 ft. height limitation applicable in the GC District. It is further noted that this proposed amendment does not change the legal status of the existing non-conforming signs and does not allow additional, new non-conforming signs to be created.

3. Amend Section 507 (“Bonuses for Certain Planned Development”) and Appendix A (definition of “workforce housing”) (see p. 10-11 and 22 of the redline).

In another effort to encourage affordable housing opportunities within the City, this amendment would allow the Planning Board to grant a density bonus for any PURD or PRec that provides “workforce housing,” which is defined in RSA 674:58, IV as:

[H]ousing which is intended for sale and which is affordable to a household with an income of no more than 100 percent of the median income for a 4-person household for the metropolitan area or county in which the housing is located as published annually by the United States Department of Housing and Urban Development. "Workforce housing" also means rental housing which is affordable to a household with an income of no more than 60 percent of the median income for a 3-person household for the metropolitan area or county in which the housing is located as published annually by the United States Department of Housing and Urban Development.

Note that the Planning & Development Department intends to commission an inclusionary zoning study to evaluate the feasibility of requiring affordable, workforce housing to be included as part of all multi-family developments of a certain size. The findings of the inclusionary zoning study – which the Department anticipates undertaking in 2023 – may result in future recommended changes to the workforce housing density bonus provisions.

Staff also proposes to authorize the Planning Board to approve up to a 10% bonus for any PURD, PRec, or manufactured housing PURD that incorporates a renewable energy system (as defined in Appendix A) into the design of the development or that commits to energy efficient design by obtaining LEED certification. At the Council’s recommendation, language has been added to allow the bonus where other industry-accepted energy-efficiency standards are satisfied including those of the Passive House Institute (PHI), or the Passive House Institute US (PHIUS).

The remaining columns – which were added to the Zoning Ordinance as placeholders at least 25 years ago – are proposed to be removed (note that with respect to the “sensitivity to environment” category, it is staff’s view that this concept has been substantially addressed through the PUD regulations).

The amendments to Section 507 also include expanded criteria for the Planning Board to use when considering whether to award a density bonus under this section.

4. Amend Section 603 (“Senior Housing Complexes”) (see p. 13 of the redline). HB 1661 from the 2022 legislative session was signed into law over the summer and includes the following amendment to RSA 674:17, IV:

[I]f a municipality allows an increased density, reduced lot size, expedited approval, or other dimensional or procedural incentive [...] for the development of housing for older persons, as defined and regulated pursuant to RSA 354-A:15, VIII, it may allow the same incentive for the development of workforce housing as defined in RSA 674:58, IV. Beginning July 1, 2023, incentives established for housing for older persons shall be deemed applicable to workforce housing development.

The only incentive in the Lebanon Zoning Ordinance that specifically applies to housing for older persons is Section 603, which authorizes the Zoning Board to grant a Special

Exception to allow a senior housing complex to have a greater density than that specified for the applicable zoning district. Per the recent amendment to RSA 674:17, the Zoning Board's ability to grant a Special Exception to allow greater density for a senior housing complex will automatically extend to workforce housing developments as of July 1, 2023. In response to HB 1661, staff suggests that the language of Section 603 be updated to reflect the forthcoming statutory mandate. If amended as proposed, note that a Special Exception granted under Section 603 for a workforce housing PURD or PRec would establish the baseline permitted density for the development, from which a "second" bonus could be added by Planning Board per Section 507 ("Bonuses for Certain Planned Development").

5. **Add Section 607.8 ("Electric Vehicles")** (see p. 14-15 of the redline). This amendment is proposed in response to the rapidly changing regulatory and market landscape, which is transitioning to an electrified transportation future. The amendment also implements the City of Lebanon Sustainability Principles, Master Plan, and associated commitments to cleaner energy, greenhouse gas reduction, and equity as relates to supporting diverse and affordable transportation options in the face of rising fuel prices. For example, real estate research suggests that EV charging is among the top three desired convenience amenities for multi-family developments.

The amendment applies to all off-street vehicle parking in all zoning districts, and creates requirements for EV-installed, EV-ready, and EV-capable off-street vehicle parking spaces across three use categories: one- and two-family dwellings, multi-family dwellings, and non-residential, and also adds related definitions. The tiered thresholds for the required EV infrastructure allow a gradual transition to EV charging capacity in the City; developments will install a minimum number of fully operational chargers and also install the electrical capacity to install future chargers.

Preparing building and site utilities during initial construction saves property owners from the cost of future retrofits that would be significantly greater than the upfront costs and potentially a barrier to EV implementation in the community as a result. The installation of EV charging infrastructure is four to six times less expensive when included during the initial construction phase as opposed to a subsequent retrofit.

Members of the LEAC and the LEAC EV sub-committee reviewed and assisted with edits to the amendment, with specific attention to technical and threshold requirements. References reviewed for development of the requirements include the International Energy Conservation Code 2021 and benchmarking of similar regulations across the U.S.

Related amendments include removing **Section 607.3.B.1.c** and amending **Appendix A** to add EV-related definitions. (see p. 14 and 20-22 of the redline)

Since originally presenting the draft regulations to the Council on October 5th, staff has updated the "EV-Ready Space" definition in Appendix A (see p. 20 of the redline) and has also expanded the regulations to apply to non-residential projects with 30 or more parking spaces (originally, staff proposed that the EV regulations would only apply to non-residential projects with 50 or more parking spaces).

On December 19th, the Planning Board by a vote of 4-1 adopted the following motion in opposition to the proposed EV regulations:

The Planning Board reviewed and discussed the proposed Zoning Amendments at its November 21, 2022, meeting. Based on this discussion, the Board recommends the City Council not adopt Section 607.8 Electric Vehicles for the following reasons:

One. Recently, in reviewing numerous significant developments on the Board, the developers are already installing electric vehicle infrastructure and are increasingly doing so in response to the demand of the current electric vehicle market as it exists. Additionally, the Board has seen new electric vehicle charging stations appear at places, for example the Walmart Plaza, and the expansion of existing facilities for Tesla. There is no need to mandate its adoption for property owners, business owners, and homeowners, who are the best judges of whether and to what extent they require it.

Two. There is a real question as to whether all of Lebanon has the practical technical ability to adopt these proposed regulations based on what is currently provided by Liberty Utilities. This needs to be fully understood citywide before any consideration of implementing so wide-reaching and comprehensive zoning changes.

Three. The Board opposes categorically mandating the installation of EV-ready spaces in one- and two-family homes. Lebanon's homeowners know their own circumstances, their own interests and can make their own decisions.

Four. If the City of Lebanon desires to facilitate the adoption of electric vehicles, the Board proposes considering more creative solutions that offer positive opportunities, not restrictive regulations. The Board recommends the City to pursue this route.

- 6. Amend Section 608.7 (“Signs Allowed Without a Building Permit”)** (see p. 16 of the redline) to provide flexibility for medical center complexes in adding and replacing signage. The proposed amendment exempts from Section 608 any medical center complex sign that is not visible from a public street.
- 7. Amend Section 306.1, the Central Business purpose statement** (see p. 3 of the redline). The proposed amendment is a recommendation from the West Lebanon Revitalization Advisory Committee (WLRAC) that was made last year, but too late to be included in the set of zoning amendments approved by the Council in January 2022. The WLRAC's recommendation is to expand the CB District purpose statement by incorporating language from the Master Plan and from the West Lebanon Village Visioning Charrette Final Report.
- 8. Group Day Care Facilities, Sections 303.2, 303A.2, Section 306.2, Section 307.2, Section 311, Section 311A, and Section 311B.** To help facilitate the development of needed childcare facilities, staff proposes to allow day care facilities as permitted uses in non-residential and mixed-use districts (IND-L, IND-RA, CB, LD, R-O, R-O-1, and PB). The amendment would help ease unnecessary regulatory hurdles by eliminating the requirement to obtain either a Conditional Use permit from the Planning Board or Special Exception from the Zoning Board.
- 9. Miscellaneous minor amendments:**
 - **Amend Section 501.1.H** to permit existing non-conforming buildings to be included as part of a PUD (see p. 7 of the redline).
 - **Section 611.A (“Keeping of Chickens”)** to increase the number of chickens permitted for one- and two-family dwellings (see p. 17-18 of the redline).

- To clarify existing language and to make certain editorial changes to Section 302.4.B (“Enhanced Performance Standards - Authorization”), the Section 500 planned development table, Section 608 (“Signs”), Section 703.2 (discontinuance of non-conforming structures), Section 702.5 (expansion of non-conforming uses), and Appendix A (revise “health club” definition, “vehicular sales” definition, and sign-related definitions, and add definition for “sign structure”).

C. COUNCIL ZONING MAP AMENDMENT

18 Bridge Street (Tax Map 58, Lot 2) & 22 Bridge Street (Tax Map 58, Lot 1): The property at 18 Bridge Street is a +/-2.9 acre lot that is split-zoned CB and R-3. The CB zoning designation extends 200 feet from the centerline of Bridge Street. However, the improved and developable portion of the lot already extends well past the existing CB District boundary line, and the land use of the entire property is identified as “Central Business District” on the Master Plan Future Land Use Map. The proposed zoning map amendment (see “Option A”, depicted below) would extend the CB zoning an additional 225 ft. so that the front half of the property can be redeveloped for uses allowed in the CB District, consistent with the desired land use of the property as reflected on the Future Land Use Map. The recommendation to adjust the zoning boundary on this parcel is also among the key recommendations of the West Lebanon Revitalization Advisory Committee’s Action Plan for West Lebanon. As a gateway to West Lebanon, the redevelopment of this property could serve as a catalyst for future redevelopment and financial investment in downtown West Lebanon.

To help create a vibrant and attractive gateway to West Lebanon, staff recommends that the Council also consider a similar partial rezoning of the adjacent lot at 22 Bridge Street, which is under common ownership with 18 Bridge Street (see “Option B”, depicted below). Although 22 Bridge Street is located entirely within the protected shoreland buffer, a portion of the lot beyond the CB district boundary is already cleared. If also rezoned to the CB District, the availability of a larger developable area could substantially increase the likelihood that the cleared portions of both lots could be redeveloped and mirror the recent development activity located across the Connecticut River in White River Junction, VT.

OPTION A



OPTION B



SCHEDULE

At the January 4, 2023 City Council meeting, staff will review the changes to the draft amendments that have been made as a result of the Land Use Board and legal review, and will ask the Council to schedule public hearings for the Council's meeting on January 18, 2023 (one public hearing for the amendments to be adopted by the Council, and another public hearing for the amendments to be placed on the March Ballot).

Following the public hearings, the City Council may adopt Amendments B.1 through B.9 and the Zoning Map amendment per Section 1000.4.B of the Zoning Ordinance (although it should be noted that the Council has the ability to place *any* proposed amendment on the March ballot for voter approval - see Section 1000.4.A of the Zoning Ordinance). Amendments requiring approval by referendum vote per Section 1000.4.A of the Zoning Ordinance (i.e. Amendments A.1 through A.4) will be placed on the March 2023 ballot.

ATTACHMENTS

- Redline excerpt of current Zoning Ordinance (redline last revised December 21, 2022)
- Legal opinion from Christine Fillmore, Esq., dated November 15, 2022
- Legal opinion from Christine Fillmore, Esq., dated December 21, 2022
- Excerpt of Planning Board meeting minutes from November 21, 2022
- Excerpt of Conservation Commission meeting minutes from December 8, 2022
- Excerpt of Zoning Board of Adjustment meeting minutes from November 22, 2022

DRAFT AMENDMENTS TO THE CITY OF LEBANON ZONING ORDINANCE

ARTICLE II GENERAL PROVISIONS

[...]

SECTION 205 ONE PRINCIPAL STRUCTURE PER RESIDENTIAL LOT.

There shall be only one **principal structure** on a **lot** in the **residential districts**, R-O district, and R-O-1 district, except when:

205.1 Approved pursuant to the PUD provisions of this Ordinance or as a cottage development per Section 509; or

[...]

SECTION 209 MANUFACTURED ~~HOMES~~HOUSING.

Manufactured ~~homes~~housing units are permitted only in **manufactured ~~home~~housing parks** or in **manufactured home subdivisions or manufactured home Planned Unit Residential Developments (housing PURDs)**. See ~~Sections:~~ Section 503 (**"MANUFACTURED HOUSING PARKS"**) and Section 504 (**"MANUFACTURED HOUSING PURDs"**).

[...]

ARTICLE III USE DISTRICTS

SECTION 302 USES.

[...]

302.4 Enhanced Performance Standards.

[...]

- B. Authorization. Pursuant to RSA 674:21, II, the Planning Board is hereby authorized to grant a **conditional use** permit for uses identified in Article III as permitted by **conditional use** permit, or as otherwise specified herein, if the application is found to be in compliance with the enhanced performance standards set forth in Section 302.4.D.

[...]

SECTION 303 LIGHT INDUSTRIAL DISTRICT (IND-L).

[...]

303.2 Table of Uses.

<u>Permitted Uses</u>	<u>Special Exception Uses</u> (see Section 801.3)
Commercial/Non-Residential [...] <u>Equipment and machinery sales, rental and service</u> <u>Group day care facility per Section 604</u> [...] 1.	Commercial/Non-Residential [...] Group day care facility per Section 604 [...]

[...]

303.4 Outdoor Storage.

Outdoor storage shall be permitted as an **accessory use** to a permitted use if it occupies an area of 20 percent or less of the footprint area of the **principal building**. Otherwise, outdoor storage shall require a **conditional use** permit from the Planning Board pursuant to Section 302.4. The 20% limitation shall not apply to ~~c~~Contractor's y~~Yards and equipment and machinery sales, rental and service~~. All outdoor storage, including outdoor storage for a ~~c~~Contractor's y~~Yard and equipment and machinery sales, rental and service~~, shall be appropriately screened from view from abutting **parcels** and shall not occupy required yard areas.

[...]

SECTION 303A INDUSTRIAL - RAIL ACCESS DISTRICT (IND-RA).

[...]

303A.2 Table of Uses.

<u>Permitted Uses</u>	<u>Special Exception Uses</u> (see Section 801.3)
Commercial/Non-Residential [...] <u>Group day care facility per Section 604</u>	Commercial/Non-Residential [...] Group day care facility per Section 604

[...]

SECTION 306 CENTRAL BUSINESS DISTRICT (CB).

306.1 Purpose.

The purpose of the CB District is to facilitate smart growth and mixed-use development, other related commercial activities, and higher density residential uses that provide more life and opportunities for recreational and cultural offerings with a mix of uses in new or redeveloped properties. These CB District regulations are flexible in order to invite reinvestment on existing parcels and simultaneously attract new developments to enable opportunities for economic development by capitalizing on the attractiveness of the Connecticut River. The CB District is intended to promote an environment that is safe for walking and biking and provide for uses that are compatible and which would tend to retain and enhance the existing character of the area~~provide in town areas for retail and service businesses, banks, offices and government facilities in West Lebanon. Other related commercial activities and higher density residential uses should be encouraged.~~

306.2 Table of Uses.

<u>Permitted Uses</u>	<u>Special Exception Uses</u> (see Section 801.3)
[...] <u>Commercial/Non-Residential</u> [...] <u>1. Group day care facility per Section 604</u> 4. [...]	<u>Commercial/Non-Residential</u> [...] <u>1. Group day care facility per Section 604</u>

[...]

SECTION 307 LEBANON DOWNTOWN DISTRICT (LD).

[...]

307.2 Table of Uses.

<u>Permitted Uses</u>	<u>Uses by Conditional Use Permit</u> (see Section 302.4)
[...] <u>Commercial/Non-Residential</u> [...] 1. <u>Group day care facility per Section 604</u>	<u>Commercial/Non-Residential</u> [...] 1. 2. Group day care facility per Section 604

[...]

SECTION 308 RESIDENTIAL ONE DISTRICT (R-1).

[...]

308.2 Table of Uses.

<u>Permitted Uses</u>	<u>Special Exception Uses</u> (see Section 801.3)
[...] <u>Planned Developments</u> 1. Manufactured home-housing park per Section 503 2. Manufactured home subdivision per Section 504 (or Manufactured home-housing PURD per Section 504	[...]

[...]

SECTION 311 RESIDENTIAL-OFFICE DISTRICT (R-O). [...]

311.2 Table of Uses.

<u>Permitted Uses</u>	<u>Special Exception Uses</u> (see Section 801.3)
[...] <u>Commercial/Non-Residential</u> [...] 1. <u>Group day care facility per Section 604</u> [...] 4.2.	[...] <u>Commercial/Non-Residential</u> [...] 1. Group day care facility per Section 604 [...] 2.

[...]

SECTION 311A RESIDENTIAL-OFFICE-ONE DISTRICT (R-O-1).

[...]

311A.2 Table of Uses.

<u>Permitted Uses</u>	<u>Special Exception Uses</u> (see Section 801.3)
[...] <u>Commercial/Non-Residential</u> [...] 1. <u>Group day care facility per Section 604</u> [...] 4.2.	[...] 1. Group day care facility per Section 604 [...] 2.

[...]

SECTION 311B PROFESSIONAL BUSINESS DISTRICT (PB).

[...]

311B.2 Table of Uses.

<u>Permitted Uses</u>	<u>Special Exception Uses</u> (see Section 801.3)
[...] <u>Commercial/Non-Residential</u> 1. <u>Group day care facility per Section 604</u> [...] 1.2.	<u>Commercial/Non-Residential</u> [...] 1. Group day care facility per Section 604 [...] 2.

[...]

SECTION 312 RURAL LANDS ONE DISTRICT (RL-1).

[...]

312.2 Table of Uses.

<u>Permitted Uses</u>	<u>Special Exception Uses</u> (see Section 801.3)
[...] <u>Planned Developments</u> 1. Manufactured home <u>parkhousing</u> per Section 503 2. Manufactured home subdivision per Section 504 (or Mmanufactured home PURD) <u>per Section 504</u> 3. [...]	4. [...]

[...]

SECTION 313 RURAL LANDS TWO DISTRICT (RL-2).

[...]

313.2 Table of Uses.

<u>Permitted Uses</u>	<u>Special Exception Uses</u> (see Section 801.3)
[...] <u>Planned Developments</u> 1. Manufactured home <u>parkhousing</u> per Section 503 2. Manufactured home subdivision per Section 504 (or Mmanufactured home housing PURD per Section 504) [...] 3.	[...] 4.

[...]

SECTION 314 RURAL LANDS THREE DISTRICT (RL-3).

[...]

314.2 Table of Uses.

Permitted Uses	<u>Special Exception Uses</u> (see Section 801.3)
[...] <u>Planned Developments</u> [...] 1. <u>Accessory use to any one-family dwelling</u>	[...] 1.

[...]

ARTICLE V SUBDIVISIONS AND PLANNED DEVELOPMENTS

SECTION 500 GENERAL.

[...]

Planned developments shall be permitted in accordance with the following table:

District	PURD per Section 501.2	PRec per Section 501.3	Industrial PUD per Section 501.4	Commercial PUD per Section 501.4	<u>Manufactured Housing PURD per Section 501.2 / Manufactured Home Housing Park per Section 503 and Manufactured Home Subdivision per Section 504</u>	Recreational Camping Parks per Section 505	Medical Center Complexes per Section 506	Planned Business Park per Section 508	<u>Cottage Development</u>
IND-L			<u>CUP</u> P					<u>CUP</u> P	
IND-RA			<u>CUP</u> P					<u>CUP</u> P	
GC				<u>CUP</u> P					
GC-1				<u>CUP</u> P					
CB				<u>CUP</u> P					
LD									
R-1	<u>CUP</u> P				<u>CUP / P</u>				<u>CUP</u>
R-2	<u>CUP</u> P								<u>CUP</u>
R-3	<u>CUP</u> P*								<u>CUP</u>
R-O	<u>CUP</u> P								<u>CUP</u>
R-O-1	<u>CUP</u> P								<u>CUP</u>
PB						SE			
RL-1	<u>CUP</u> P*	<u>CUP</u> P			<u>CUP / P</u>	SE			

RL-2	<u>CUP</u> P *	<u>CUP</u> P			<u>CUP</u> / P	SE			
RL-3	<u>CUP</u> P *	<u>CUP</u> P							
MC				P CUP			P		

P = permitted

SE = **special exception** required

CUP = conditional use permit required

*Subject to Section 501.2.B.1.

SECTION 501 PLANNED UNIT DEVELOPMENT (PUD).

501.1 General Requirements.

[...]

H. Dimensional Requirements.

[...]

4. Existing buildings. An existing **building** on a site proposed to be developed as a PUD may be incorporated into a PUD even if the **building** is nonconforming with respect to the requirements of Section 501.1. However, the extent of the nonconformity may not be increased unless the proposed change to the existing **building** is determined by the Planning Board to be consistent in character, scale and design with the proposed PUD.

[...]

501.2 Planned Unit Residential Development (PURD).

[...]

C. Uses Allowed in a PURD.

1. Residential Uses. A PURD may include **dwelling units** in **one-family**, **two-family** and **multi-family dwellings**. A mix of **dwelling** types may be permitted at the reasonable discretion of the Planning Board. In a **manufactured home—housing PURD** only **manufactured housing unit** ~~homes~~ are permitted and shall be on individual lots.
2. Non-Residential Uses. Certain non-residential uses may be established within a PURD, subject to the following provisions:

[...]

This provision shall not apply to a **manufactured housing PURD**.

3. All Other Uses in Underlying Zoning District. Any use permitted in the zoning district in which the PURD is located may be permitted within the PURD. Uses allowed by **special exception** or by **conditional use** permit

in the underlying zoning district where the PURD is located may also be permitted within the PURD, and shall not require a **special exception** from the Zoning Board or a separate **conditional use** permit from the Planning Board. This provision shall not apply to a **manufactured housing PURD**.

SECTION 503 ~~MANUFACTURED HOME~~-HOUSING PARKS.

503.1 Area.

A manufactured ~~home~~-housing park shall have an area not less than 10 acres ~~not more than 50 acres~~.

503.2 Layout.

A. A manufactured ~~home~~-housing park shall provide:

1. Individually designated spaces for each manufactured ~~home~~housing unit.
2. Interior access streets for all spaces. Such streets shall have a ~~right-of-way at least 40 feet in width and a~~ surface travel way at least 20 feet in width built on 12 inches of compacted gravel. All interior streets shall be named in accordance with emergency 911 provisions, and shall provide adequate interior circulation with no dead ends unless otherwise approved by the Fire Department.
- ~~3. All-weather walkways along streets.~~
43. At least ~~20~~-15 percent of the total area for common open space or recreation, ~~exclusive of wetlands and slopes of 25% or more~~. This area shall not include roads, streets, **parking areas**, **service areas**, non-recreation **accessory buildings** or similar facilities. This area may include facilities for recreation and/or playgrounds.
54. A **buffer** at least ~~50~~-25 feet in width maintained as a landscape area abutting all manufactured home property lines.
- ~~6. Adequate facilities for recreation and/or playgrounds.~~

B. A manufactured ~~home~~-housing park shall have Site Plan Review approval from the Planning Board.

503.3 Manufactured ~~Home~~-Housing Spaces.

- A. Each manufactured ~~home~~-housing space shall be at least ~~105~~,000 sq. ft. in area and shall front on an interior access street.
- B. Each space shall have a separate **driveway**.
- C. Each space shall include a **parking area** built on 12 inches of compacted gravel. Said **parking area** shall be large enough to accommodate two parking spaces; ~~each 10 feet wide by 22 feet long~~.

~~D. At least 100 sq. ft. of indoor storage.~~

~~E~~D. Manufactured ~~home~~ housing unit spaces shall not be located on slopes having a natural grade of ~~45~~10% or greater.

503.4 Utilities and Services.

For each manufactured housing unit:

- A. ~~An attachment for water supply.~~ The water supply source must meet all local and state regulations.
- B. ~~An attachment for sewage disposal.~~ The method of sewage disposal must be in compliance with all local and state regulations. ~~It shall not be located on the manufactured home space or any adjacent manufactured home space unless the manufactured home space is at least 1 1/2 acres in size.~~
- C. ~~An electrical source supplying at least 60 amps, 120/240 volts.~~ The installation shall comply with all applicable state and city electrical laws and regulations. ~~Such electrical outlets shall be weatherproof.~~ All electrical, television and other wired services shall be installed underground.
- D. Provisions for disposal of household garbage and rubbish.

503.5 Siting Manufactured ~~Homes~~ Housing Units.

- A. A nonporous pad shall be provided for each manufactured ~~home~~ housing unit.
- B. No manufactured ~~home~~ housing unit shall be closer than ~~50~~25 feet to a public street right-of-way or to a property line of the manufactured ~~home~~ housing unit park.
- C. A manufactured ~~home~~ housing unit shall be located so that it is at least 20 feet from the ~~right-of-way~~surface of the interior road and ~~ten~~10 feet from any other manufactured ~~home~~ housing unit space.

503.6 Density.

One (1) **manufactured housing** unit per 5,000 sq. ft. of **lot area** is permitted.

SECTION 504 MANUFACTURED ~~HOME~~ HOUSING ~~SUBDIVISIONS~~ PURDS.

Manufactured housing PURDs are allowed by **conditional use** permit per Section 501.1 and shall satisfy all requirements of Section 501.1 and Section 501.2. Notwithstanding the applicability standards set forth in Section 501.2.B.1, the minimum lot size for a **manufactured housing PURD** shall be 20 acres, and notwithstanding the density requirements of Section 501.2.D.2, one (1) **manufactured housing** unit per 5,000 sq. ft. of **lot area** is permitted, except that in the R-1 District the permitted density shall be as set forth in Section 308.2. The number of dwelling units may be increased by up to 12 percent at the discretion of the Planning Board, per Section 507.

~~Manufactured home subdivisions shall be at least 20 acres in size and shall have at least six (6) lots. Each ~~lot~~ shall have at least two (2) parking spaces. Manufactured Home PURDs are allowed, in accordance with Section 501.2.~~

[...]

SECTION 507 BONUSES FOR CERTAIN PLANNED DEVELOPMENT.

PUD's and ~~manufactured home~~ **housing parks** ~~and subdivisions~~ may receive an increased density bonus pursuant to Table 507.1 and the provisions of this section.

507.1 Increased Density Bonuses.

Maximum Amount of Bonus Available

Type of Development	For Use of Technique	For Sensitivity to Environment	For Creating Affordable Workforce Housing	For Reducing Fiscal Impact	For Energy Efficient Design	For Renewable Energy Systems Facilities
PURD or PRec	12%	----	---10%	---	10%	10%
Manufactured housing PURD MH Park (or subdivision)	NONE 12%	----	----	---	10%	10%
Subdivision	NONE	---	---	---		

507.2 Criteria for Award of Bonus.

The Planning Board may allow a gross density of development greater than allowed under Article III of this Ordinance for PURD's, manufactured housing PURDs, ~~(or PRec's) (or subdivisions) or traditional subdivisions~~ up to a maximum bonus allowed by Table 507.1. The Planning Board may approve a density bonus for any one or more of the categories identified in Section 507.1. Density bonuses granted pursuant to this section shall be cumulative. The following guidelines shall be used in determining whether a bonus shall be awarded.

A. Use of Technique. An applicant may receive a bonus not exceeding 12% for using either the PURD or PRec form of development.

~~B. Sensitivity to Environment. (Reserved)~~

~~B.C. Affordable Workforce Housing. (Reserved)~~
For every dwelling unit which qualifies as workforce housing, one (1) market rate dwelling unit may be added as a density bonus, to a maximum of 20 bonus units or 10%, whichever is greater, as approved by the Planning Board.

D. Energy Efficient Design. The Planning Board may award a density bonus of up to 10% for any development that will be constructed to meet standards for industry-accepted energy efficiency standards including but not limited to those of the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED), the Passive House Institute (PHI), or the Passive House Institute US (PHIUS). In evaluating the requested density bonus, the Planning Board shall take into account the extent and scope of proposed energy efficiency construction throughout the development together with any other relevant factors and considerations related to the development and any applicable energy efficiency certification programs that the applicant proposes to participate in.

C. Renewable Energy Systems. The Planning Board may award a density bonus of up to 10% when one or more non-accessory **renewable energy systems** are incorporated into the design of the development. The bonus awarded shall be commensurate with the amount of energy produced for the development by the proposed **renewable energy system(s)**.

~~D. Reduced Fiscal Impact. (Reserved)~~

The decision of the Planning Board in awarding such a bonus and the amount thereof is hereby declared to be a discretionary administrative decision of the Planning Board. In no case shall the Planning Board award a bonus if it determines that the limitations of a site cannot accommodate the increase.

[...]

Section 509 COTTAGE DEVELOPMENTS.

509.1 Purpose. The purpose of this section is to provide opportunities for single family housing that is small, energy-efficient, and affordable; to allow flexibility in site and design standards while promoting projects that ensure compatibility with surrounding land uses and existing neighborhoods; and to promote sustainability and neighborhood interaction through integrated design.

Cottage developments are intended to serve as part of the City's overall housing strategy to encourage affordability, innovation and variety in housing design and site development while ensuring compatibility with existing neighborhoods, and to promote a variety of housing choices to meet the needs of a population diverse in age, income, household composition and individual needs.

509.2 Applicable Use Districts. **Cottage developments** are allowed by **conditional use** on Class 1 lots in the R-1, R-2, R-3, R-O, and R-O-1 Districts, in accordance with Section 302.4.D and the requirements of this section.

509.3 Number and Arrangement of Units. **Cottage developments** shall contain a minimum of three (3) and a maximum of sixteen (16) **cottages**, located in one or more clusters to maximize efficiency of land use and to encourage a sense of community among the residents. Each cluster shall include a minimum of three (3) units.

509.4 Lot Size. All **cottage developments** shall have a minimum lot area of 20,000 sq. ft., except in the R-2 and R-3 District, where a minimum lot area of 40,000 sq. ft. shall be required.

509.5 Density and Building Coverage. Permitted density shall be based on 2,500 sq. ft. of lot area per each **cottage**. The maximum permitted building coverage shall be 35%.

509.6 Design Standards. The following design standards are intended to define design parameters to create a small community of cottages oriented around open space and to achieve compatibility with adjacent uses.

A. Individual Cottage Spaces. For each detached cottage, the site plan approved by the Planning Board shall delineate a building site for each detached cottage of no less than 1,500 sq. ft.

B. Detached Cottages. At least 50% of the **cottages** in the development shall be detached units.

C. Interior Setbacks. The minimum setback between units within a cottage development shall be 10 feet, measured from the nearest point of the exterior walls.

D. Common Open Space. A minimum of 400 square feet of common open space shall be provided per **cottage** and per cluster. The common open space area for each cluster shall be contiguous and shall abut all of the **cottages** in the cluster. **Cottages** shall be oriented around and have their main entry from the common open space.

E. Roofs and Porches.

1. The highest point of the roof of the **cottage** shall not exceed 24 feet.

2. **Cottages** shall have an unenclosed, covered front primary entry and porch of at least 60 square feet in size. The front porch shall be oriented toward a common open space. The intent of this porch requirement is to create outdoor space in each **cottage** that is visually and physically connected to the common open space and to other cottages.

F. Parking Location and Screening Requirements.

1. Parking areas and driveways shall comply with applicable minimum yard requirements for the underlying zone.

2. Parking areas shall be screened from public streets and adjacent residential uses by landscaping or architectural screening.

3. Parking areas shall be prohibited in the minimum required front yard.

4. Parking areas shall be separated from the common open space by landscaping or an architectural screen.

G. Existing Dwellings. An existing detached or attached one-family dwelling that is incorporated into a cottage development and is nonconforming with respect to the standards of this section shall be permitted to remain on a site used for a cottage development and shall be considered a **cottage** for purposes of this section. However, the extent of the noncompliance may not be increased except unless the proposed change is determined by the Planning Board to be consistent in character, scale and design with the cottage housing development.

H. Street Facing Facades. All **cottages** within 50 feet of a public street shall have street facing facades that avoid blank walls in order to avoid the appearance of “turning their backs” to the street. For all such **cottages**, a minimum of 25 percent of the street facing façade shall be comprised of windows and/or glass doors.

509.7 Illustrations of Cottage Development Design.

[Note: proposed illustrations are forthcoming]

[...]

SECTION 603 SENIOR HOUSING COMPLEXES AND WORKFORCE HOUSING.

The Board of Adjustment may grant a **special exception** to allow a **senior housing complex** or a development with **workforce housing** to have a greater density than that specified for the applicable zoning district. **Senior housing complexes** may include **congregate living facilities**, subject to granting of a **special exception** by the Board of Adjustment.

[...]

SECTION 607 PARKING.

[...]

607.3 Maximum Off-Street Parking Requirement.

[...]

B. Off-street parking in excess of 120% but not more than 150% of the minimum requirement set forth in Section 607.2 may be permitted as set forth below.

1) The following categories of parking spaces shall not be counted towards the 120% maximum set forth in subsection A, but shall be subject to the 150% cap set forth in subsection B:

- a. Spaces provided within a **parking structure**.
- b. Spaces dedicated for vehicles participating in a carpool, vanpool, or car-share program. Such spaces shall be reserved and used only for carpool, vanpool, or car-share program parking, and shall be signed or marked accordingly.

- ~~c. Parking spaces dedicated for vehicles operating on primarily alternative fuels including but not limited to electric, natural gas, and hydrogen. Such spaces shall be reserved and used only for alternative fueled vehicles and shall be signed accordingly and/or the spaces shall be painted with the words "Alternative Fueled Vehicles Only."~~

[...]

607.8 Electric Vehicles.

- A. Purpose. The purpose of this section is to facilitate the transition to **electric vehicle** use and to expedite the establishment of convenient, cost-effective **electric vehicle infrastructure** that such a transition necessitates.
- B. Applicability. **EV charging stations** are allowed as an **accessory use** in all zoning districts. When the retail charging of **electric vehicles** is proposed to be the principal use of a **lot**, then the proposed **EV charging station** shall be considered a **service station** for zoning purposes.
- C. EV Infrastructure Requirements / Off-Street EV Parking Requirements. **EVSE-installed spaces, EV-ready spaces, and EV-capable spaces** shall be provided as follows:
 - 1. One- and Two-Family Dwellings. All new **one-** and **two-family dwellings** shall provide at least one (1) **EV-ready** space per **dwelling unit**.
 - 2. Multi-Family Dwellings. Parking for **multi-family dwellings** shall include:
 - a. **EVSE-installed spaces** for a minimum of 5% of proposed **off-street parking spaces**.
 - b. **EV-ready spaces** for a minimum of 20% of proposed **off-street parking spaces**.
 - c. **EV-capable spaces** for a minimum of 65% of proposed **off-street parking spaces**.
 - 3. Non-Residential Uses. Parking for uses requiring or proposing to provide 30 or more **off-street parking spaces** shall include:
 - a. **EVSE-installed spaces** for a minimum of 2% of proposed **off-street parking spaces**, with a minimum of two **EVSE-installed spaces**.
 - b. **EV-ready spaces** for a minimum of 10% of proposed **off-street parking spaces**.
 - c. **EV-capable spaces** for a minimum of 50% of proposed **off-street parking spaces**.
 - 4. Where the calculations above result in a fractional parking space, it shall round up to the next whole number.
 - 5. Where the number of **EVSE-installed spaces** provided exceeds the minimum required, the excess spaces shall be deducted from the total number of required **EV-ready spaces**.

6. Where the number of **EV-ready spaces** provided exceeds the minimum required, the excess **EV-ready spaces** shall be deducted from the total number of required **EV-capable spaces**.
7. Up to five (5) **Level 2 EV-installed spaces** may be substituted with one (1) **Level 3 EV-installed space** (minimum 50kW).
8. **EVSE-installed spaces**, **EV-ready spaces**, and **EV-capable spaces** are to be included in the calculation for both the number of minimum required and maximum permitted off-street parking spaces.
 - a. Every two (2) **EVSE-installed spaces** provided in addition to the required minimum may be counted as four (4) **off-street parking spaces** as relates to Section 607.1 (Minimum Off-Street Parking Requirements), for reduction of total required parking not greater than 10 percent of the total amount of required parking.

SECTION 608 SIGNS.

[...]

608.3 Prohibited Signs.

The following are prohibited:

- A. **Off-premise signs**, except as may be permitted per Sections 608.6.A.1 and 2. A **sign advertising** an on-site use that has ceased operation or vacated the **lot** shall be considered an **off-premise sign** after a period of 180 consecutive days following the discontinuance of the use and shall be removed as required by Section 608.8.C.3. [...]

608.4 Non-Residential Uses.

A. Non-Residential Uses in Commercial and Industrial Districts. [...]

4. **Freestanding Signs.** A **lot** in the **commercial** and **industrial districts** may display one **freestanding sign** subject to the following regulations:
 - a. **Sign Area and Height Regulations.**

- i. **Freestanding signs** must comply with the dimensions set forth in the following table:

	Zoning District					
Maximum	GC & GC-1	CB	LD	IND-L	IND-RA	IND-H
height	25 ft.	12 ft.	12 ft.	12 ft.	12 ft.	12 ft.
sign area	64 sq. ft.	32 sq. ft.	24 sq. ft.	64 sq. ft.	64 sq. ft.	64 sq. ft.

~~The size of any **freestanding sign** shall be deducted from the maximum **sign area** permitted on a **lot** under Section 608.4.A.1.a ("Maximum Sign Area"), except as set forth in Section 608.4.A.4.a.ii below.~~

ii. Strip Plazas and Multi-Tenant Buildings. A **freestanding sign** for a property improved with a **strip plaza** or **multi-tenant building** may exceed the maximum **sign area** set forth in Section 608.4.A.4.a.i by up to 50 percent, except in the CB and LD Districts. ~~Such additional sign area shall not be deducted from the maximum sign area permitted on a lot under Section 608.4.A.1.a (“Maximum Sign Area”).~~ [...]

d. A lot within 100 feet of the Interstate 89 right-of-way with an existing freestanding sign that is legal non-conforming due to its height and which has a minimum height of 50 ft. may have one additional freestanding sign which shall have a maximum size and height as set forth above and shall be subject to all other applicable regulations. [...]

608.7 Signs Allowed Without a Building Permit.

The following **signs** (1) are allowed in addition to any other **sign** permitted by this Section, (2) do not require a building permit, and (3) are exempt from the requirements of this Section except for the prohibition of **non-static signs** set forth in Section 608.3.C, the requirements of Section 608.2.D (“Clear Vision & Movement”), and the requirements of Section 608.2.E (“Maintenance”):

[...]

J. Medical Center Complexes. On-premise **signs** for **medical center complexes** located in the Medical Center District, unless such signs are visible from a **public street**.

[...]

SECTION 610 ACCESSORY DWELLING UNIT (ADU).

[...]

An **accessory dwelling unit** shall comply with the following criteria:

- A. An **ADU** is ~~only~~ allowed on any lots in any zoning district with a ~~detached one-family dwelling~~. For lots in any zoning district with a two-family dwelling, a detached ADU is allowed. and only One such **ADU** is permitted per **lot**. The dwelling unit density requirements of the underlying zoning district shall not apply to ADUs.
- B. The appearance and character of the existing or proposed **ADU** shall remain single family in nature if converting a one-family dwelling to a one-family dwelling with an ADU, and shall remain two-family in nature if converting a two-family dwelling to a two-family dwelling with an ADU.
- C. The property owner must occupy ~~either the principal dwelling unit or the ADU~~ one of the dwelling units as their permanent residence. A temporary leave of absence

by the property owner is allowed, provided the owner-occupied unit is not rented or occupied by anyone other than the property owner during the temporary leave or absence.

[...]

- D. The **ADU** must be located in the same **building** as the principal **dwelling unit(s)** unless the **lot** meets or exceeds the minimum required lot size for the respective zoning district.

[...]

- E. If the **ADU** is located within or by an addition to the existing **principal building**~~one-family dwelling~~, an interior door shall be provided between the **ADU** and the principal **dwelling unit** ~~and the ADU~~ or between the **ADU** and one of the principal **dwelling units** if the principal building is a **two-family dwelling**.

[...]

- G. Size of ADU.

1. Conversion of one-family dwelling. If the **gross living area** of the principal **dwelling unit** is 1,500 square feet or less, the **gross living area** of the **ADU** may be no greater than 50% of the **gross living area** of the principal **dwelling unit**. If the **gross living area** of the principal **dwelling unit** is greater than 1,500 square feet, but less than 3,000 square feet, the **gross living area** of the **ADU** shall not exceed 750 square feet. If the principal **dwelling unit** is greater than 3,000 square feet, the **gross living area** of the **ADU** can exceed 750 square feet provided the **ADU** is no greater than 25% of the **gross living area** of the principal **dwelling unit**.

2. Conversion of two-family dwelling. If the **gross living area** of the smaller of the two principal **dwelling units** is 1,500 square feet or less, the **gross living area** of the **ADU** may be no greater than 50% of the **gross living area** of the smaller of the two principal **dwelling units**. If the **gross living area** of the smaller of the two principal **dwelling units** is greater than 1,500 square feet, but less than 3,000 square feet, the **gross living area** of the **ADU** shall not exceed 750 square feet. If the smaller of the two principal **dwelling units** is greater than 3,000 square feet, the **gross living area** of the **ADU** can exceed 750 square feet provided the **ADU** is no greater than 25% of the **gross living area** of the smaller of the two principal **dwelling units**.

[...]

- J. In addition to the two (2) parking spaces required for ~~the principal residence~~ each principal **dwelling unit**, one (1) additional parking space for the **ADU** must be provided.

[...]

SECTION 611 KEEPING OF CHICKENS. [...]

The keeping of chickens shall be permitted for all **one-** and/or **two-family dwellings**, provided the following standards are met (these standards do not apply to chickens kept in the rural lands

zoning districts where **agriculture** is a permitted use):

- A. It shall be unlawful to keep more than the following number of chickens on any **lot**:
- | | |
|---------------------------------------|---|
| Up to 2 <u>1</u> acres | up to a total of 4 <u>5</u> hens |
| <u>Up to 2 to 5</u> acres | up to a total of 10 hens |
| More than 5 <u>2</u> acres | <u>up to 15 hens plus</u> up to 2 hens per acre. |

[...]

ARTICLE VII NON-CONFORMITIES

[...]

SECTION 702 NON-CONFORMING USES.

[...]

702.5 Expansion of Use.

- A. The Zoning Board of Adjustment may, by **special exception**, permit a legal **non-conforming use** pursuant to Section 700 to be expanded, provided that the following tests are met in lieu of Section 801.3:

[...]

- B. As part of a proposed expansion under subsection A, the Board of Adjustment may allow a legal **non-conforming use** to expand into an addition to an existing **building** occupied by the **non-conforming use** provided that the gross footprint floor area of the addition is no greater than ten percent (10%) of the size of the footprint gross floor area of the existing **building** measured as of January 22, 2020.

[...]

SECTION 703 NON-CONFORMING BUILDINGS AND STRUCTURES.

[...]

703.2 Abandonment, Discontinuance, Destruction.

Any **non-conforming building** or **non-conforming structure** which is partially or wholly destroyed by reason of any cause whatsoever, including obsolescence, fire, explosion, storm, floods, or other acts of God, may be resumed or restored and operated in its former non-conformity if same is done within two (2) years; thereafter, any **non-conforming building** or **structure** shall not be re-established if such **building** or **structure** has been discontinued for a period of two (2) years or more; provided, however, that the Zoning Board of Adjustment, upon an appeal from the Zoning Administrator's decision concerning such resumption or restoration, may permit the resumption or restoration of the same **building** or **structure** if it finds: (a) that no action incorporating an intent to abandon the **non-conforming building** or **structure** has been taken by the owner or occupant, including but not limited to a change in **non-conforming use** to razing or remodeling the

building or structure; and (b) that the failure to resume or restore the use during the two-year period was due to economic, regulatory, or other forces beyond the control of the owner or occupant.

Non-conforming signs shall be subject to Section 608.8 in lieu of Section 703.2. Non-conforming sign structures shall be subject to Section 703.2.

[...]

APPENDIX A DEFINITIONS

[...]

CENTRALIZED SEWER SYSTEMS: A wastewater disposal system that does not connect to the municipal wastewater disposal system and that is designed to serve as the wastewater disposal system for an entire development. Such a system shall be approved by the [New Hampshire Department of Environmental Services \("NHDES"\)](#) ~~NHWSPCD and the City of Lebanon~~. Such systems, if approved, are permitted in the RL Districts only.

[...]

CLASSIFICATION (CLASSES) OF LOTS: Whether a *lot* is classified as "1", "2", or "3" depends on the provisions for water supply and sewage disposal, as follows:

CLASSIFICATION	DESCRIPTION
CLASS 1	Municipal water and municipal sewerage, <u>or community water system and centralized sewer system</u> approved by NHDES
CLASS 2	Municipal sewerage <u>or centralized sewer system</u> approved by NHDES
CLASS 3	Water and sewerage service that is neither Class 1 or Class 2

[...]

COTTAGE: A detached one-family dwelling unit with a maximum gross living area of one thousand, five hundred square feet (1,500 sq. ft.) and a maximum footprint of one thousand five hundred square feet (1,500 sq. ft.). Spaces with a ceiling height of six feet or less measured to the exterior walls, such as in a second-floor area under the slope of the roof, shall be excluded when calculating the total floor area of a cottage. Cottages may also be attached horizontally in blocks of no more than three (3) units.

COTTAGE DEVELOPMENT: A development on a single lot having shared open space intended to serve cottages that interact together as a small community.

[...]

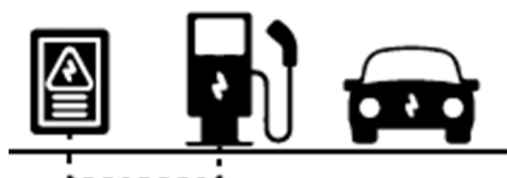
DWELLING: A **building** designed for and used primarily by one or more families for living quarters, but not including [recreational vehicles \(RVs\)](#), **manufactured homes** [housing](#), trailers

of any kind, **hotels, motels, group residences, lodging houses**, institutional homes, residential clubs, or other commercial accommodations offered for occupancy.

[...]

DWELLING UNIT: One or more rooms connected together, constituting a separate, independent housekeeping establishment for owner occupancy, rental or lease, and physically separated from any other rooms or **dwelling units** which may be in the same structure, and containing independent cooking, sanitary and sleeping facilities. The term includes sectional homes and modular units but does not include **manufactured homehousing, motel, hotel, lodging house** or similar structures.

[...]



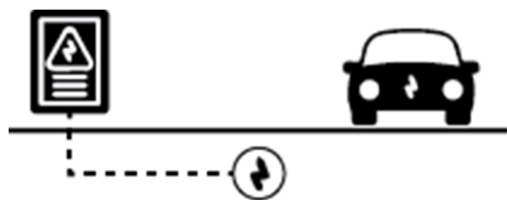
ELECTRIC VEHICLE SUPPLY EQUIPMENT (EVSE) / EV charging station: The apparatus installed specifically for the purpose of transferring energy between the site or building wiring and the Electric Vehicle. EVSE does not include any equipment affixed to the electric vehicle.

ELECTRIC VEHICLE INFRASTRUCTURE: Structures, machinery, and equipment necessary and integral to support an **electric vehicle**, including **EV charging stations** and electrical outlets.

ELECTRIC VEHICLE (EV): An automotive-type vehicle for on-road use primarily powered by an electric motor, including any battery electric vehicle, fuel cell electric vehicle, or plug-in hybrid electric vehicle, that draws current from an onboard battery charged through a building or site electrical service, **EVSE**, or other source of electric current.

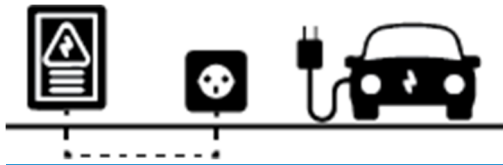
EQUIPMENT AND MACHINERY SALES, RENTAL AND SERVICE: The sale and/or rental of new or used construction, concrete, building and/or agricultural equipment and/or machinery. The outdoor storage and display, maintenance, and servicing of such equipment and machinery is permitted, provided that no retail sale of gasoline or oil is allowed.

EV-CAPABLE SPACE: An **off-street parking space** with electrical panel capacity and space for a branch circuit dedicated to the parking space that is not less than 40-ampere and 208/240-volt and equipped with raceways, both underground and surface mounted, to enable the future installation of **EVSE**. For two adjacent EV-capable spaces, a single branch circuit is permitted.



EV-READY SPACE: An off-street parking space provided with a full dedicated branch circuit that includes not less than 40-ampere and 208/240-volt panel capacity, conduit, wiring, receptacle, and overprotection devices terminating in an outlet, receptacle or junction box that will support an installed EVSE and which is located in close proximity to the location of the parking space. For

two adjacent EV-ready spaces, a single branch circuit is permitted. These spaces are “ready to go” with the addition of an EV charging station (EVSE).



EVSE-INSTALLED SPACE: An *off-street parking space* with a dedicated branch circuit and *EVSE* for *Level 2 EV charging stations*, at minimum.

[...]

HEALTH CLUB: An establishment that provides indoor and/or outdoor exercise facilities, programs, instruction and/or training related to fitness, wellness, aerobics, weight lifting, court sports, and/or swimming, as well as locker rooms, showers, massage rooms, saunas, and/or related **accessory uses**. This shall not include any **local government use**.

[...]

LEVEL 2: Charging level for *EVs* that operates on a dedicated 40-100 amp breaker (same kind used by a clothes dryer or stove) on a 208 or 240 volt AC circuit while drawing 6.2+ kW to supply 19+ miles of range gained per hour of charging.

LEVEL 3: Fast or rapid charging level for *EVs* that operates on a 60 amp or higher breaker on a 480 volt AC electric circuit or higher three phase circuit with special grounding equipment and mounting on an equipment pad.

[...]

MANUFACTURED ~~HOME~~-HOUSING PARK: Any tract of land on which two or more *manufactured ~~homes~~-housing units* are parked and occupied for living purposes. A manufactured housing park may also include in whole or in part modular homes of any size up to 1,400 sq. ft. in size.

MANUFACTURED ~~HOME~~-HOUSING PURD: A Planned Unit Residential Development (PURD) for two or more *manufactured ~~home~~-housing units* and consisting exclusively of *manufactured ~~housing~~* ~~subdivision which meets all applicable requirements of Section 501.~~ A manufactured housing PURD may also include in whole or in part modular homes of any size up to 1,400 sq. ft. in size.

~~**MANUFACTURED HOME SUBDIVISION:** A subdivision of land which allows individual ownership of lots on which can be located only a manufactured home.~~

MANUFACTURED HOUSING: This term shall have the meaning as set out in RSA 674:31, as may be amended.[...]

SIGN: A structure or an image, display, or illustration which is affixed to, painted or represented directly or indirectly upon a **building, structure** or **parcel** of land, which is (a) visible from a **public street**, private street, or an adjoining property, and (b) designed to communicate a non-artistic message. “Sign” does not include the *sign structure* unless the sign structure forms an integral part of the sign display or is used to differentiate the sign from the background against which it is placed.

SIGN AREA: *Sign area* means the entire area within a geometric form enclosing the extreme limits of writing, representation, emblem or any other figure of similar character, together with any frame, structure, or other material or color forming an integral part of the display or used to differentiate the **sign** from the background against which it is placed; ~~excluding the necessary supports or uprights on which such sign is placed.~~ The geometric form shall be limited to a circle, triangle or parallelogram.

Where a **sign** has two or more faces, the area of all faces shall be included in determining the area of the **sign**, except where two such faces are placed back to back and are at no point more than two feet from one another, the area of the **sign** shall be taken either as the area of one face ~~—~~ if the two faces are of equal area, or the area of the larger face ~~—~~ if the two faces are of unequal area. [...]

SIGN STRUCTURE: The necessary supports or uprights on which a sign is placed.

[...]

STRUCTURE: Anything constructed or erected with a fixed location on the ground, or attached to something having a fixed location on the ground. The term includes, but is not limited to, buildings, swimming pools, tennis courts, manufactured homes, ~~billboards, poster panels~~, wind and solar energy facilities, satellite dishes and antenna. The term does not include minor installations such as fences less than three and a half feet high, agricultural and safety fences, mail boxes, flagpoles and children's play equipment, nor does it include subsurface waste disposal systems.[...]

TRADITIONAL SUBDIVISION: Any subdivision of land which meets all applicable dimensional requirements of the zoning district in which it is located and is not approved as either a PUD per Section 501, ~~a manufactured home subdivision per Section 504,~~ or a **planned business park** per Section 508.[...]

VEHICULAR SALES: The display and sales of new or used motor vehicles, motorcycles, recreational vehicles, manufactured homes, and boats, ~~heavy equipment and farm machinery.~~ No retail sale of gasoline or oil is permitted. Vehicular sales shall include facilities for the short term leasing of automobiles and trucks to the end consumer. [...]

WORKFORCE HOUSING: This term shall have the meaning as set forth in RSA 674:58, IV, as amended.

[...]

November 15, 2022

Nathan Reichert
Director of Planning & Development
City of Lebanon
51 North Park St.
Lebanon, NH 03766

RE: Proposed Zoning Amendments

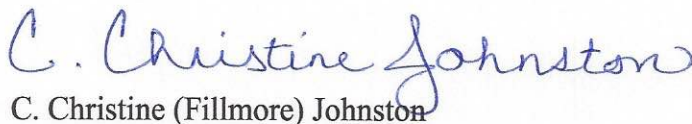
Mr. Reichert:

This is a legal opinion as required by Section 1000.3(B)(2) of the Lebanon Zoning Ordinance concerning a set of proposed text amendments. I have reviewed a staff memorandum regarding these proposals dated September 27, 2022, a draft of these amendments dated October 6, 2022, and a revised draft dated November 14, 2022, and now provide this opinion based on those documents.

The Ordinance requires this legal review to cover: (a) whether such amendments are within the authority delegated to the City under State law; (b) whether the form is appropriate; and (c) whether, from an administrative point of view, the amendments can be administered and enforced.

In this case, the answer to these three questions is "yes" and I discern no legal or administrative issues of concern.

Sincerely,


C. Christine (Fillmore) Johnston

December 21, 2022

Nathan Reichert
Director of Planning & Development
City of Lebanon
51 S. Park Street
Lebanon, NH 03766

RE: Proposed Zoning Amendments

Mr. Reichert:

This is a legal opinion as required by Section 1000.3(B)(2) of the Lebanon Zoning Ordinance concerning a set of proposed text amendments. I have reviewed a staff memorandum regarding these proposals dated September 27, 2022, a draft of these amendments dated October 6, 2022, and revised drafts dated November 14, 2022 and December 21, 2022, and now provide this opinion based on those documents.

The Ordinance requires this legal review to cover: (a) whether such amendments are within the authority delegated to the City under State law; (b) whether the form is appropriate; and (c) whether, from an administrative point of view, the amendments can be administered and enforced.

In this case, the answer to these three questions is "yes" and I discern no legal or administrative issues of concern.

Sincerely,



C. Christine (Fillmore) Johnston

Mr. Rutter inquired about the depth of the pond. Mr. Fenstermacher stated that it is just a few feet deep.

Ms. Romano noted that the Board has stressed the importance of outdoor space for residents to sit or relax.

Ms. Hirai stated that the wildlife corridors should be considered for crossing and movement.

Mr. Reichert stated that communications with Board members must happen in a public hearing, which is the only way to have an equal playing field. It is necessary to communicate in writing or by appearing.

Mr. Corwin noted that it helps to review the Rules of Procedure.

B. Marek Lebanon, LLC, 343 Mount Support Road, Tax Map 24, Lot 1, zoned R1 & RL3: Review of a minor alteration to an approved site plan (PB2020-11-SPR) per Section 9.2 of the Site Plan Review Regulations

Ms. Hirai stated that she didn't understand the degree of the changes. Mr. Corwin explained that the applicant has made a list of changes, which are insignificant and don't require a site plan amendment and a full application.

Mr. Fenstermacher of Engineering Ventures appeared in support of the applicant.

Mr. Hall inquired if parking was altered. Mr. Fenstermacher stated that it was the same.

Mr. Jasinski stated that he would accept the staff recommendations if they don't impact the current conditions and waivers. Mr. Corwin said they would not, and there was no need to bring it back to the Board.

C. Zoning Amendments - Review of proposed amendments to the Zoning Ordinance and Zoning Map

Mr. Corwin stated that the amendments were presented to the Planning Board in September. They went to City Council in October, where they were voted to be put through review by the other boards and legal counsel. The Amendments would then go back to City Council to set a public hearing date and adopt the ones they can adopt per Section 1000. Those adopted would go on the March ballot for voter approval. The Amendments have been reviewed by legal counsel, who made some minor changes. The most significant one related to signs from the highway at Exit 20. Section 608 will be used to address the signs. The City Council is looking for review and comment, and an informational session was held at Lebanon Library, and there will be more.

The Board members discussed the EV amendment. Mr. Hall disagreed with including it as an amendment because Liberty Utilities cannot support the charging of certain vehicles. Mr. Jasinski noted that before the City can enforce regulations for site plans, the Board must be sure the City can accommodate those regulations. Mr. Rutter stated that the Board must trust Mr. Corwin and asked for the definition of a "renewable energy system". Mr. Corwin stated that it was in Appendix A.

***A MOTION by Mathew Hall to extend the meeting to 9:45 PM.
The motion was seconded by Cori Hirai.***

Roll Call Vote:

Voting in Favor – Mr. Garland, Ms. Hirai, Mr. Rutter, Ms. Romano, Ms. Chewning, Mr. Hall, Mr. Jasinski

Voting Against – None

***The MOTION was approved (7-0).**

Mr. Corwin stated that there aren't many standards determining the bonus for use of the PURD tool. More substance should be used in determining that bonus, and it should have been amended already. Other density bonuses are being filled in. There is a need to apply reasonable standards when granting bonuses. The Board members discussed the types of units.

Mr. Rutter stated that he is in favor of the Cottage concept. Mr. Hall stated that he has heard very enthusiastic comments about the Cottage concept.

Mr. Corwin stated that consensus is required for any comments going to the City Council.

Ms. Romano stated that she is concerned about density bonuses reaching 40%.

Mr. Hall proposed a motion that the Planning Board convey comments to the City Council regarding the proposed Zoning Amendments including enthusiastic support of the cottage concept, concern about the density bonus reaching too high a value and concern about mandating universal Electric Vehicle (EV) charging in the proposed regulations given the inability for utilities to provide that degree of service. The Board members continued their discussion.

Chair Garland invited Public Comment:

Chris Hidari of Ward 3 stated that she attended the information meeting at the library. There were many questions about density and other amendments going before the public, particularly the one regarding the signs. She noted that several multi-use proposals are not including retail along with housing, which is not making retail available to neighborhoods. She asserted that in terms of improving quality of life, the amendments are making density higher and the problem bigger.

A MOTION by Matthew Hall to extend the meeting to 10:00 PM.

The motion was seconded by Cori Hirai.

Roll Call Vote:

Voting in Favor – Mr. Garland, Ms. Hirai, Ms. Romano, Mr. Hall, Ms. Chewning

Voting Against – Mr. Rutter, Mr. Jasinski

***The MOTION was approved (5-2).**

Ms. Romano suggested the City encourage EV charging installations or infrastructure but not require it.

Mr. Corwin recommended that the Board members bring motion suggestions to the next meeting and continue the discussion.

Mr. Reichert noted Liberty's inability to provide power and the nature of requirements.

Ms. Hirai noted that an EV charging station requires an additional 220 outlet.

5. Approval of Minutes

DRAFT

**CONSERVATION COMMISSION
REGULAR MEETING MINUTES
Remote Via Microsoft Teams
LebanonNH.gov/Live
December 8, 2022
6:30 PM**

MEMBERS PRESENT: Sarah Riley (Chair), Bruce James (Vice Chair) (remote), Erling Heistad, Ernst Oidtmann, Susan Almy, Donald Lacey, Chris Johnson, Sean Dittrich (Alt.) (remote); Barbara Hirai (Alt.)

MEMBERS ABSENT:

STAFF PRESENT: Mark Goodwin (GIS Coordinator)

1 **1. CALL TO ORDER – Chair Riley called the meeting to order at 6:35 PM.**

2
3 **4. STUDY ITEMS**

4 **A. Zoning Amendments – Review of proposed amendments to the Zoning**
5 **Ordinance and Zoning Map – *The Commission took up this item at this time.***
6

7 Tim Corwin, Senior Planner and Zoning Administrator, asked if the Commission has any
8 questions or comments regarding the proposed Zoning amendments at this time. There will be a
9 public hearing for these amendments by the City Council in January.

10
11 In response to a question from Ms. Almy, Mr. Corwin explained that the intention of the
12 amendments to Section 610 is to expand opportunities to allow for accessory dwelling units in
13 areas of the City where they are not currently permitted. This amendment would allow for
14 accessory dwelling units (ADUs) for owner-occupied two-family dwellings.
15

16 Chair Riley expressed concern that Section 503.2.A3, regarding common open space for
17 manufactured housing, seems to propose an amendment that wetlands and steep slopes can now
18 be considered as part of this open space. Mr. Corwin stated that the intention of this is to allow
19 for replication of the existing manufactured home parks. The three existing parks are out of
20 compliance, and it would be very difficult to bring them into compliance, so the intention is to
21 amend the regulations and make them more realistic with what is actually on the ground. The
22 proposal will not impact these resource areas but allow them to be protected in the open space
23 area.
24

25 Mr. Heistad stated that this appears to be a way to add density without improving the quality of
26 life for those living in these areas.
27

28 Chair Riley noted that this is likely not in the Commission's purview, as long as the resource
29 areas will still be protected. Mr. Goodwin agreed that this may be more of a planning item.
30

Ms. Hirai stated she does not want wetlands to be counted toward open space, as if it could be used for recreation. This would be a disservice to residents and wetlands. Mr. Corwin noted that he could explore additional language that would disallow facilities for recreation and/or playgrounds in wetland or steep slope open space areas. Mr. Goodwin agreed with that suggestion.

Chair Riley asked the Commission to comment on the proposed amendment to accessory structures in Rural Lands 3 (RL3). Mr. Corwin explained that the intention is to allow homeowners to place structures, such as sheds without as much of a burdensome process. RL3 is the most restrictive zone to preserve agricultural land and control development. This will require approval from the voters.

Mr. Heistad MOVED to recommend that, in Section 503.2. A3, the stricken sentence section, ‘...exclusive of wetlands and slopes 25% or more...’ be retained. Seconded by Mr. Lacey.

**** The Vote on the MOTION was approved by roll call: Sarah Riley – aye; Bruce James – aye; Erling Heistad - aye, Ernst Oidtmann - aye, Susan Almy - aye, Donald Lacey - aye, and Chris Johnson - aye, (7-0-0).***

3. PERMIT REVIEW – *The Commission took up this item at this time.*

A. The Timken Company c/o Timken Aerospace, 336 Mechanic Street, Tax Map 104, Lot 2 - Review and Comment on NHDES Wetland Standard Dredge and Fill Application (Minor Impact) to repair stormwater erosion observed at the outfall of the Timken Aerospace facility. The proposed work would involve 4,580 square feet of temporary impacts to wetlands to facilitate construction of an open drainage channel that can effectively convert stormwater from the outfall to the wetland in a non-erosive manner. CC2022-03

Ryan Clay, Sanborn Head, stated that the facility has a main building that measures approximately 190,000 s.f., with a paved parking area that surrounds the building. Stormwater runoff from the building and from the parking lot drains to a series of underground catch basins, which convey the storm water to a single discharge point, also known as an outfall. There are currently no stormwater detention systems on site. Over the years, some erosion was noticed at the outfall.

In response to a question from Chair Riley, Mr. Clay stated that Timken does regular inspections of their outfall, which is how this issue was determined. Chair Riley asked if the Stormwater Pollution Prevention Plan requires mitigation of the stormwater on site. Mr. Clay stated that he does not believe reduction in volume of stormwater is included as part of the permit.

Bill McCloy, Normandeau Associates, stated that the majority of the area where impacts are proposed is an emergent wetland. The primary functions of this wetland are for flood flow alteration, and sediment retention. The erosion has led to sediment deposition in the lower part of the wetland.

A. Zoning Amendments - Review of proposed amendments to the Zoning Ordinance and Zoning Map

The purview of the Zoning Board of the Adjustment is to determine whether the proposed amendments are stated in a manner that the Board can apply the amendments in future decisions. There will be a number of upcoming public hearings regarding the amendments with the City Council. The language regarding the electric vehicle discussion and requirements were highly technical and would require a high level of competence and understanding. It will be difficult to interpret. There were no suggested revisions.

5. STAFF COMMENTS

The schedule will return to normal next month. There will be a thank you pizza dinner for Board Members at the next meeting. Nate Reichert, the new Planning Director was introduced.

6. ADJOURNMENT

***Mr. Nash MOVED to adjourn the meeting at 8:24 PM.
Seconded by Ms. Barkley.***

****The Vote on the Motion was approved (5-0).***

Respectfully submitted,
Linda Billings
Recording Secretary

DRAFT

LEBANON PLANNING BOARD
Regular Session
Monday, December 19, 2022, 6:30 PM
City Council Chambers, City Hall
or Remote Via Microsoft Teams
LebanonNH.gov/Live

MEMBERS PRESENT: Matthew Hall (Vice-Chair), Karen Zook (City Council Rep), Kathie Romano - remote, Jeremy Rutter, Laurel Stavis, Cori Hirai (Alternate), Thomas Jasinski (Alternate)

MEMBERS ABSENT: Bruce Garland (Chair), Kim Chewning, Gregorio Amaro

STAFF PRESENT: Nathen Reichert (Planning Director), Tim Corwin (Senior Planner), Brian Vincent (City Engineer)

1. Call to Order

Vice Chair Hall called the meeting to order at 6:30 PM.

Cori Hirai was appointed in place of Bruce Garland, and Tom Jasinski was appointed in place of Gregorio Amaro.

Vice Chair Hall noted that the discussion of the proposed zoning amendments and site plan review amendments would not be open for public comment. The order of hearings was reordered

Ms. Romano was attending remotely due to being out of town.

2. Study Items

A. Discussion of Proposed Zoning Amendments

Vice Chair Hall opened with a motion as a starting point for the discussion.

A MOTION by Matthew Hall that the Planning Board reviewed and discussed the proposed Zoning Amendments at its November 14, 2022, meeting. Based on this discussion, the Board recommends the City Council not adopt Section 607.8 Electric Vehicles for the following reasons:

One. Recently, in reviewing numerous significant developments on the Board, the developers are already installing electric vehicle infrastructure and are increasingly doing so in response to the demand of the current electric vehicle market as it exists. Additionally, the Board has seen new electric vehicle charging stations appear at places, for example the Walmart Plaza, and the expansion of existing facilities for Tesla. There is no need to mandate its adoption for property owners, business owners, and homeowners, who are the best judges of whether and to what extent they require it.

Two. There is a real question as to whether all of Lebanon has the practical technical ability to adopt these proposed regulations based on what is currently provided by Liberty Utilities. This needs to be fully understood citywide before any consideration of implementing so wide-reaching and comprehensive zoning changes.

1 **Three.** The Board opposes categorically mandating the installation of EV-ready spaces in one- and two-
2 family homes. Lebanon's homeowners know their own circumstances, their own interests, and can make
3 their own decisions.
4

5 **Four.** If the City of Lebanon desires to facilitate the adoption of electric vehicles, the Board proposes that
6 more creative solutions that offer positive opportunities, not restrictive regulations. Here, it's not sticks.
7 Where are the municipal incentives for developers to install electric vehicle infrastructure? What would
8 entice a landowner to install these facilities? The Board recommends the City to pursue this route.

9 **The motion was seconded by Laurel Stavis.**
10

11 Ms. Hirai commented that it would have been good to get the questions from the previous meeting
12 answered before crafting a motion. Mr. Hall stated that he did get the answers to the questions before
13 making the motion. Mr. Corwin stated that they have had extensive conversations with Liberty Utilities,
14 but there has not been a definitive response to whether it is a short term or long-term problem. Ms. Hirai
15 suggested putting in the requirement would push Liberty to meet demand faster than if they were left to
16 their own devices. As a governing body, the Board can influence the speed by which certain efforts can be
17 moved along. Meeting the capacity means installing an additional 220V line for charging, and retrofitting
18 is very expensive. It is important for the Board to use its leadership power to make it easier for lower
19 income members of the community to achieve equity.
20

21 Mr. Jasinski noted that developers are often forced to accommodate regulations at increased expense, and
22 installation of EV charging capacity should be left up to the person paying for it. In the end, it will be up
23 to the City Council to decide the issue.
24

25 As a member of the City Council, Ms. Zook stated that she would abstain from voting on this
26 recommendation.
27

28 **Roll Call Vote:**

29 **Voting in Favor – Mr. Jasinski, Mr. Hall, Ms. Stavis, Ms. Romano, Mr. Rutter**

30 **Voting Against – Ms. Hirai**

31 **Abstaining – Ms. Zook**

32 ***The MOTION was approved (4-1-1).**
33

34 Vice Chair Hall made a second motion.
35

36 **A MOTION by Matthew Hall that the Planning Board recommends adoption of the Cottage Housing**
37 **proposed zoning amendments with an emphasis on the New England aesthetics.**

38 **The motion was seconded by Tom Jasinski.**
39

40 Ms. Hirai recommended a modification of the motion, as the porches are taxed in Lebanon and would be
41 an unnecessary burden on developers and taxpayers. It would be better to incentivize it. Mr. Hall stated
42 that he would like to see the New England vernacular emphasized in the construction of the cottages, but
43 it would be up to the City Council to consider the adoption of the amendment. The discussion of the
44 amendments continued to a discussion to not make mention of the porches.
45

46 **Roll Call Vote:**

47 **Voting in Favor – Mr. Jasinski, Mr. Hall, Ms. Stavis, Ms. Romano, Mr. Rutter, Ms. Hirai, Ms. Zook**

48 **Voting Against – None**

49 ***The MOTION was approved (7-0).**
50
51

Dear Lebanon City Councilors,

The Lebanon Energy Advisory Committee (LEAC) strongly urges adoption of the Planning Department's [proposed amendments](#) to Zoning and Site Plan regulations that would require some electric vehicle (EV) charging at new developments. This is perhaps the single most important thing that Lebanon could do to facilitate our community's shift to EVs in order to reduce greenhouse gases from transportation. While it's possible to install EV charging as a retrofit after primary construction of multifamily housing is finished, that increases the [costs](#) six-fold compared with installing EV charging during initial construction, creating hurdles that delay access to EV charging for years or decades.

Without the Zoning and Site Plan amendments, occupants of new apartments and condominiums especially will find it nearly impossible to replace their gas cars with plug-in vehicles. The cheapest, safest, and easiest place to charge an EV is at one's home, where a car often sits for 8-12 hours per day. Without the EV charging infrastructure that the Zoning and Site Plan amendments would help create, many of the low- to moderate-income people who would most benefit from the long-term financial savings that come with EVs will be virtually blocked from choosing the cleaner option of electric drive. The proposed Zoning and Site Plan code changes will make the shift to EVs more equitable.

LEAC is writing to you today to dispel some misconceptions about the feasibility of widespread EV charging that were voiced when the Planning Board discussed the proposed code amendments at meetings in November and December 2022. Some board members raised concerns that Liberty Utilities is not capable of providing the electricity that would be needed for EV charging if the proposed code changes are adopted. This is not the case.

An analysis done by Assistant Mayor Clifton Below and discussed by the LEAC EV Subcommittee (Clifton Below, Greg Ames, and Sherry Boschert) allays that concern by looking at a hypothetical 100-unit multifamily housing development. The proposed amendments would require only 5% of off-street parking spaces at new multifamily housing developments to install EV charging during development. Assuming one circuit for each two EV spaces (as the proposed Zoning Amendments would allow), this would require three 40-amp circuits for these 100 studio apartments. Another 15% of parking spaces would have access to electrical outlets that could handle EV charging (using another eight 40-amp circuits per 100 studio apartments), and 45% of spaces would have the electrical capacity and space to support the future addition of EV charging using another 23 or more 40-amp circuits per 100 studio apartments.

Here are other ways to summarize this:

- For every 100 studio apartments, the code amendments would mean adding an average of 14 more amps per apartment in electrical transformer and service capacity for EV charging on top of the 100 amps or so that most studio apartments now have. From an electrical standpoint, that is equivalent to adding the load of 14 more studio apartments to the 100-unit development, which is not an excessive demand on the grid. Liberty

readily accommodates higher loads than this in the many housing developments that are now under construction.

- For every 100 apartments with 1+ bedrooms, the codes would add an average of 21 more amps per apartment in electrical transformer and service capacity to handle all of the EV charging requirements in the proposed codes. That is like adding 21 more apartments, the equivalent of a fifth floor on a four-story apartment building. That also is very manageable.

And two other things to consider:

- It will be years before all of this new EV charging capacity is fully used, as purchases of EVs steadily increase. This provides time for Liberty and the City to plan for accelerated EV adoption. Installing the EV charging capacity during construction rather than later greatly reduces costs for residents and is essential for Lebanon to meet its greenhouse gas reduction goals.
- For new single-family homes and duplexes, the amendments would require one EV-ready parking space per unit. This uses 40-50 amps of electrical capacity, the equivalent of operating an electric stove instead of a gas stove or perhaps adding an electric clothes dryer or heat pump. No big deal, especially because most new homes are being built with 200-amp overall capacity. Installation during construction halves the [cost](#).

We should not leave the installation of EV charging to “market forces” or wait for greater evidence of the demand for EVs. Market forces have done little to seriously address climate change. Few developers have chosen to install EV charging at housing projects that are now in the construction pipeline even though the market for EVs is accelerating. In six multifamily housing developments with 1,079 units that were recently approved or are under construction, developers proposed a meager 4 EV charging stations, a severely inadequate number. See a video of LEAC EV Subcommittee Chair Sherry Boschert’s [20-minute presentation](#) to the Lebanon Planning Board in July 2022.

At multifamily housing in particular the demand for EV charging will not be evident until EV charging is available there. We have a chicken-and-egg problem: If residents do not see that they can charge at home, then they assume that they can’t choose an EV. The proposed code amendments will fix this dilemma. The changes will help ensure that we reduce greenhouse gases in Lebanon at a pace to meet our climate goals, and at the lowest cost.

We strongly encourage you to approve the proposed EV-related amendments. We would be happy to provide a more detailed version of our EV charging analysis at your request.

Sincerely,

The Lebanon Energy Advisory Committee

cc: Lebanon Planning Board

AGENDA

LEBANON CITY COUNCIL

JANUARY 04, 2023

10. NEW BUSINESS:

10.E – REVIEW OF THE DRAFT STRATEGIC PLAN

BACKGROUND

Each year, the City Manager, with city staff, develop the Annual Outcomes and Work Plan (AOWP) that is presented to the City Council in the form of workshops in April. The AOWP is intended to determine the objectives that form the basis for the development of the annual budget and is developed to achieve the objectives of the City's Master Plan which has a primary focus on land use. Additionally, the City has sustainability objectives and other guidance documents.

The development of a strategic plan is intended to replace the AOWP and works to achieve the goals of the Master Plan, sustainability objectives and the other key goals of the City. Unlike the AOWP, the strategic plan will be approved by City Council. The strategic plan has ten functional areas with objectives, vision statements, key performance indicators (KPI), and identification of city departments, city boards and partners that are tasked with accomplishing the objectives. The task items will be identified as well with a timeline for the ensuing year and the two subsequent years after that.

The City Manager met with several of the boards/committees/commissions and city staff to develop an "ideas board" which was used to determine the ten functional areas and the objectives within those areas.

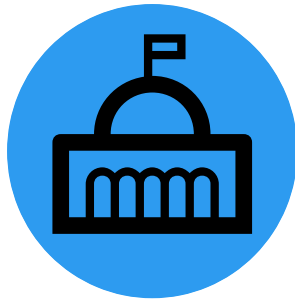
The goal is to obtain tentative approval from the City Council to move to the next step in the process which would be public comment at the end of January/beginning of February. Further revisions would be made after receiving public input with the goal of presenting a complete draft of the plan to the Council in April with approval in May. The plan would include the specific task items what would occur over the three-year period. The approved strategic plan would provide guidance for the development of the 2024 Budget.

ACTION

MOVED, that the City Council approves the initial draft of the City's Strategic Plan for the purposes of receiving public comment.

Information Available but not Included in this Section:

1. [Lebanon Strategic Plan web page](#) including Miro Board of Draft Strategic Plan



High Performing Government



Summary of Strategic Objectives

- 1.1 Operate City government at a very high level of Transparency. To the extent possible government documents are available in digital formats through the City's website minimizing the need to make requests to staff.
- 1.2 Recruit, Develop, and Retain trained and qualified City staff.
- 1.3 Enhance process innovation using technology, data, and key performance objectives.
- 1.4 Advocate at the Regional, State, and Federal level.
- 1.5 Enhance the credibility of the City's government.
- 1.6 Enhance community engagement.

Timeline: 2024-2026

Responsible Groups

City Departments

City Clerk City Manager Cyber Services DPW HR Planning

Boards and Committees

City Council DEI

Partners

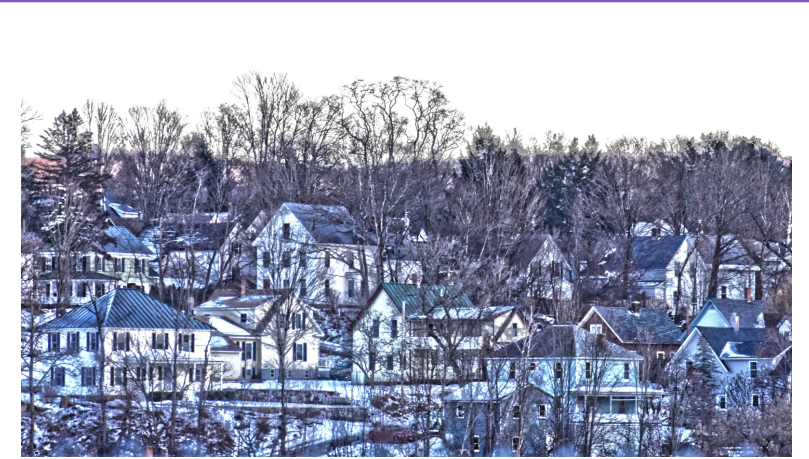
Vision Statement

The city government has to be responsive to the needs of its residents, businesses and partners. The delivery and/or the facilitation of the delivery of services is one of the cornerstones of effective local government. A responsive and effective city government does the following:

- **Transparency-** the decision making processes must be open and as accessible as possible to allow the public to participate. Government records need to be available, easily accessible and in a timely manner.
- **Ethics-** City officials and staff meet public expectations of very high ethical standards while conducting City business as well as in the pursuit of their personal lives. Ethical expectations directly relate to the credibility of the City in view that people have of it. City officials comply with statutory and regulatory requirements.
- **Problem Solving-** the expectation is that the City government is an organization that functions to identify and develop solutions to address problems and the needs of the community. Data driven decision making is operationalized when and where appropriate.
- **Teamwork-** highly effective organizations are those that can bring together the players to achieve the mission. Our team consists of elected officials, appointed officials, staff, volunteers, service providers and our partners who work together to drive and achieve success.
- **Communication-** an effective City government utilizes multiple modes of communication to inform residents including emergency messaging, how to information, education materials, opportunities and the activities of the organization. This must be timely, accurate, accessible and sufficient to keep the public informed.
- **Engaging-** the City takes proactive steps to engage the general public and key stakeholders in the development of public policy.
- **Efficiency-** the City utilizes management practices and process review procedures such as LEAN to reduce wasted time and money while at the same time enhance the quality of city services. City officials and staff operate in a culture of continuous quality improvement.
- **Technology-** the City utilizes technology to enhance the quality, accessibility, timeliness and efficiency of City services.
- **Innovation-** the City uses or develops innovative approaches to problem-solving and service delivery.
- **Human Capital-** the quality, skill base, experience and emotional intelligence of City officials is of very high quality. The City invests in training and staff development constantly enhancing the effectiveness of City staff. The City is "growing" leaders from within its ranks to perform higher level and leadership roles in the organization. The retention of qualified personnel is a key objective for City leaders.
- **Partnership-** City leaders value the importance of partnerships with other municipalities, the school district, the housing authority and the other levels of government. Working with the business community, non-profit entities and neighborhood groups is highly valued in solving problems and providing services to the community.
- **Leadership-** the City values and understands its leadership role in the Upper Valley and the State of New Hampshire from a political, economic and social perspective. It actively advocates and exercises that leadership role in service to the people of the City and the Upper Valley.



Housing and Neighborhoods



Summary of Strategic Objectives

- 2.1 Facilitate the Development/Redevelopment of Housing.
- 2.2 Work cooperatively to address Homelessness.
- 2.3 Revise Land Use Regulations to limit barriers to development/redevelopment while preserving neighborhood character.
- 2.4 Development of a comprehensive Citywide housing strategy.

Timeline: 2024-2026

Responsible Groups

City Departments

City Manager Human Services Planning

Boards and Committees

DEI Downtown TIF EDC Heritage Commission Planning Board

Partners

Housing Authority LISTEN The Haven Tri-County CAP Twin Pines Housing

Vision Statement

The City of Lebanon shall actively foster a diverse range of housing opportunities and choices for current and prospective residents, and will strive to promote the development of diverse, sustainable neighborhoods that reflect Lebanon's "small-town" character and distinctiveness.

The City of Lebanon shall encourage a range of housing options for all segments of the population. New housing development should contribute positively to existing neighborhoods and create safe and desirable new neighborhoods consistent with the other planning goals of the City as expressed in this Master Plan.

An inclusive community has a range of housing types to meet the needs of a diverse population. Those housing types include;

- Single Family
- Multi-Family (spanning duplexes to large apartment buildings)
- Elderly Housing
- Accessory Dwelling Units
- Manufactured Housing
- Temporary Housing - Homeless Shelters and Transitional Housing Units

The housing inventory of the City must include a mix to meet the affordability needs of its residents such that no more than 30% of combined household income is committed to housing. That mix of housing affordability includes;

- Market Rate Housing
- Workforce Housing
- Low Income Housing

[Chapter 7 of the City's Master Plan](#) is incorporated into this Strategic Plan.



Financial Stability and Efficiency



Summary of Strategic Objectives

- 3.1** Maintain a responsible debt management plan.
- 3.2** Maintain a long term strategy to stabilize the tax rate and user fees to avoid spikes in the rates
- 3.3** Advocate and seek funding at the State and Federal level to reduce the impact on property taxes and user fees.
- 3.4** Maintain adequate cash reserves to ensure cash flow, the ability to respond to emergencies and the resources to take advantage of opportunities.

Timeline: 2024-2026

Responsible Groups

City Departments

City Manager Finance

Boards and Committees

City Council

Partners

Vision Statement

The City strives to diversify its revenue streams to reduce the reliance upon the property tax as the primary source of revenue for general government operations. User fees have a direct relationship to the services provided and are commensurate with the actual cost of the services provided. The use of Unassigned Fund Balances in the General Fund as well as the enterprise funds is a strategy to minimize tax and fee rate spikes.

The Unassigned Fund Balance in the General Fund is healthy when it:

- is within a range of 19% to 24% of the current General Fund expenditure budget;
- provides a cash reserve to address emergencies;
- provides sufficient cash flow between semi-annual tax billings.

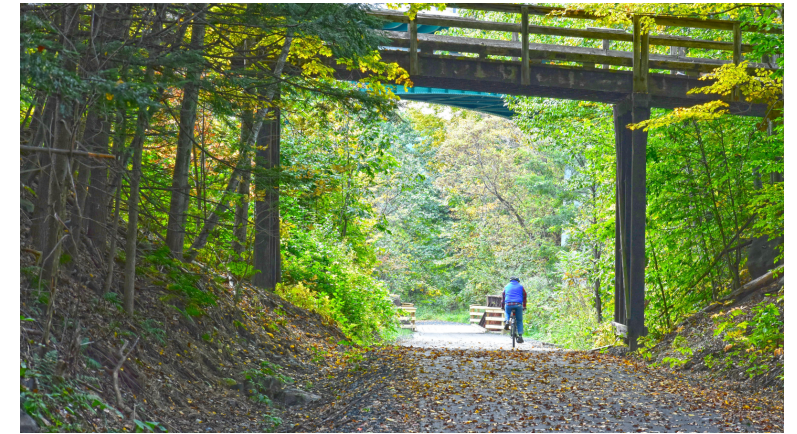
Financial planning is based on a long-term strategy to stabilize tax and user fee rates to minimize rate hikes. Planning for capital projects in the six-year Capital Improvements Plan that allows a more even spread of debt service payments where possible is utilized.

The City's debt load is maintained within the statutory requirements and the City Council's Debt Management policy for all funds.

The City utilizes federal, state, and private grant funding to offset the cost of capital and operating expenses. Additionally, the City advocates in partnership with other municipalities and the New Hampshire Municipal Association for more state funding to offset the impact to local property taxes. The City takes active steps to transition education funding from the statewide and local property tax to a more equitable cost share with other revenue sources.



Recreation, Arts, and Parks



Summary of Strategic Objectives

- 4.1** Provide a wide array of recreational programming in conjunction with other entities in the Upper Valley.
- 4.2** Maintain and expand recreation infrastructure in the City to include parks, athletic facilities, trails, and greenways.
- 4.3** Enhance the vitality of Arts & Culture in the City in cooperation with arts community in the Upper Valley. This includes energizing the arts economy as well as opportunities for public art.
- 4.4** Celebrate the City's rich history and enhancing the public's awareness of its history through multiple modalities.
- 4.5** Celebrate the City's diverse cultural makeup by providing opportunities allow the public to experience the diverse cultures in the Upper Valley.

Timeline: 2024-2026

Responsible Groups

City Departments

City Manager Library Planning RAP

Boards and Committees

Arts & Culture Commission Conservation Commission DEI Downtown TIF EDC
Heritage Commission

Partners

AVA Art Gallery CCBA Lebanon Historical Society Lebanon Opera House
Lebanon Outing Club Lebanon Youth Baseball NE Music Center UV Hockey Assoc.

Vision Statement

Recreation

The City has a wide array of recreational opportunities available to its residents. The programs are operated by the City while others are provided by not-for-profit entities and for-profit entities. A robust range of recreational opportunities has a positive impact on the physical and emotional health of our people. The City's vision for Recreation is further outlined in [Chapter 10: Recreation](#) of the Master Plan.

Arts, Culture, and the Humanities

The City celebrates the arts, culture and the humanities in its various modalities. The City's recently created Arts and Culture Commission is the primary City body to advocate and advance the arts in the community. The City supports a vibrant partnership with a growing arts community to enhance opportunities for equitable participation and inclusion. The City continues to enhance opportunities for displays of art in public places to create a livelier living environment. The City's vision is further outlined in [Chapter 12: Community Design and Civic Art](#) of the Master Plan.

Parks

The City maintains parks in various parts of the City to enhance neighborhood environments and provide outdoor spaces for its residents to enjoy the outdoor world. Everything from athletic fields, the Storrs Hill Ski facility, the Mascoma Greenway, the Northern Rail Trail and various nature trails and conservation areas provide opportunities to exercise and enjoy nature.



Environment and Sustainability



Summary of Strategic Objectives

Waste Management

- 5.1 Enhance the City's waste management practices with the end goal of reducing the City's waste to zero non-renewal material.
- 5.2 Managing solid waste and wastewater to ensure public health, the protection of wildlife, the protection of plant life and minimizing the impact on the environment.

Energy

- 5.3 Ensuring the City's waste management infrastructure systems will meet the City's needs today and into the future.
- 5.4 Reduce the GHG emissions produced by City government's activities by transitioning to 100% renewable energy sources by 2050.
- 5.5 Encourage and support communitywide initiatives to transition the community to 100% renewable energy sources by 2050 in alignment with the Energy Chapter of the City's Master Plan.

Conservation & Natural Resources

- 5.6 Enhance, support and implement measures to sustain the City's public and private forests. Implement urban forest management programs to address urban heat zones and aesthetics.
- 5.7 Maintain and highlight the City's conservation resources.
- 5.8 Protect the water resources within the City.
- 5.9 Protect the wildlife, aquatic organisms and plants from the impacts of human activity and climate change.

Timeline: 2024-2026

Responsible Groups

City Departments

DPW Planning RAP

Partners

Sustainable Lebanon

Boards and Committees

Conservation Commission Planning Board Tree Advisory Board

Vision Statement

The City is proactive in sustainable environmental stewardship. [Lebanon's Principles of Sustainability](#) focus on seven principles. Principal #3 is Environmental Responsibility and Energy Efficiency.

Principle #3 – Environmental Responsibility and Energy Efficiency

Does the action. . .

- A. Sustain and enhance a healthy natural environment: air, water, soil, and ecosystems?
- B. Promote and reinforce a network ("green infrastructure") of protected open space and natural areas?
- C. Improve energy efficiency and reduce the City's carbon footprint?
- D. Engage the Lebanon community to conserve energy and adopt more sustainable technologies for heating, cooling, lighting, transportation, and so forth?

The functions of the City government will achieve the objective of reducing its greenhouse gas emission 80% below 1990 levels by 2050. The City supports the Paris Climate Accords and the implementation of the goals of the Paris Climate Agreement.

Waste Management

The goal is to achieve zero waste. The City manages a number of waste materials from the City itself and the Upper Valley as a region. The goal is to recycle the materials where possible or dispose of the materials in an environmentally safe fashion that does not impair the public health. As technological solutions become available the City implements them to achieve the ultimate goal of eliminating waste.

Energy

The City's Master Plan outlines the City's policies regarding Energy in [Chapter 13](#). The City implements a number of strategies to reduce the amount of energy used in the community with a shift from energy that produces greenhouse gas emissions. This includes a shift to the use of electric powered vehicles and electric powered building heating sources. The shift to energy produced by solar, landfill gas and other renewable sources.

Conservation and Natural Resources

The City's Master Plan outlines the City's policies regarding Natural Resources in [Chapter 5](#). The City has considerable conservation and natural resource assets that it continues to maintain and protect



Public Safety

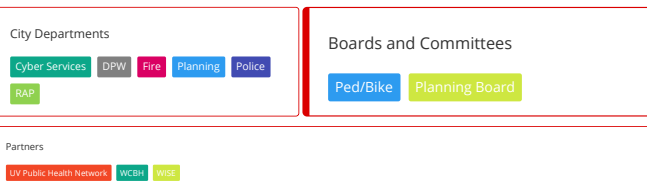


Summary of Strategic Objectives

- 6.1 Enhance Emergency Management capability regarding Planning for, Preparing for, Responding to, Recovery from and Mitigation of Disasters.
- 6.2 Enhance Code Enforcement efforts.
- 6.3 Maintain a proactive Traffic Safety Program.
- 6.4 Maintain a proactive Crime Prevention and Response Program.
- 6.5 Maintain an effective Fire Prevention effort and Fire Suppression capability.
- 6.6 Enhance multi-modal transportation safety through prevention, education, enforcement and infrastructure improvements
- 6.7 Enhance the City government's cyber security posture to minimize impact on city services. Enhance the police department's ability to prevent, investigate and prosecute cybercrimes that impact businesses and residents.

Timeline: 2024-2026

Responsible Groups



Vision Statement

Perceptions of public safety, whether they are real or perceived, impact the way people feel and interact in the community. Public safety is not just about injury prevention and crime prevention; it is about building a strong, cohesive, vibrant, participatory City. Individuals and families enjoy a sustained quality of life, participation in work, leisure, social, cultural, artistic and educational activities, and preservation of income and assets. A safe community embraces a methodology and infrastructure where all sectors of the community work together collaboratively to safeguard citizens' well-being and property. Our vision of the City involves the following aspects.

Emergency Management: The City has a robust emergency management capability that adequately:

- foresees and plans for natural and human made disasters;
- prepares for these events and provides advanced warning and guidance to residents, businesses and other partners. This also includes training for, having the necessary equipment facilities, supplies and partnerships available to respond to disasters;
- responds to disasters to effectively reduce the risk to life and property;
- recovery from disasters such that the community is able to return to normal as soon as possible. This includes psychological recovery from the impacts of disasters;
- mitigation steps are taken in advance of and during disasters to reduce the impacts of known or disasters that are likely to impact the City.

Code Enforcement: The City has adequate life safety codes that reduce the risk of injury or death as well as the protection of property. The City effectively educates the public regarding these regulations. The City takes a proactive step to address violations.

Crime Prevention and Response: The City takes proactive steps to reduce the amount of, severity of and the impacts of crime. Residents and visitors in the City have a quality of life and are able to pursue and obtain the fullest benefits from their domestic, social and economic lives without fear or hindrance from crime and disorder. The City is able to respond to criminal incidents proactively, quickly and effectively.

Domestic and Sexual Violence: The City in partnership with other entities leads efforts to protect and assist victims of sexual and domestic violence.

Cyber Security: The City's cyber infrastructure and protected information are secure from hacking, damage, or destruction and other disruptions.

Traffic Safety: The City has a multi-pronged approach to addressing safety on City streets, sidewalks, greenways, and rail trails. Proactive steps are taken to minimize motor vehicle accidents as well as accidents involving bicycles and other wheeled vehicles. A number of strategies are used to enhance pedestrian safety with the goal of zero pedestrian accidents.

Fire Prevention and Suppression: The City implements strategies to prevent death, injuries and damage to property from the impacts of fire. The fire department has adequate resources and strategies to respond to fires to save lives and minimize damage to property.



Transportation



Summary of Strategic Objectives

Airport

- 7.1 Maintain & expand public transportation availability in the Upper Valley.

Public Transit

- 7.2 Support efforts to maintain Essential Air Service
- 7.3 Support efforts to maintain general aviation.

Multi-Modal Transportation

- 7.4 Maintain, enhance and expand the Mascoma Greenway, Northern Rail Trail and new connector segments to strengthen the multi-use recreational/transportation network.
- 7.5 Maintain, enhance and expand the City's sidewalk network connecting the segments to create a comprehensive network.

Roadway Infrastructure

- 7.6 Enhance the City's roadway infrastructure maintenance plan.
- 7.7 Enhance the City's roadway system to adequately manage present and projected traffic volumes.
- 7.8 Coordinate with NH DOT's efforts to enhance state transportation improvements in the City.

Timeline: 2024-2026

Responsible Groups

City Departments

Airport DPW RAP

Boards and Committees

Ped/Bike Planning Board

Partners

Vision Statement

The City operates a multi-modal transportation system and partners with other entities to meet the transportation needs of the City within the context of the larger transportation network in the Upper Valley. The City's Master Plan further delineates the larger transportation goals located in [Chapter 9](#).

The City will continue to use innovative technologies and make infrastructure investments to ensure those systems are adequately maintained to ensure they function effectively and safely. The focus will be on the lifecycle maintenance of infrastructure and properly tracking the infrastructure through a fixed asset management system.

The City will continue with its Complete Streets strategy when reconstructing a street to include upgrading all of the assets within the street where appropriate.



Economic Vitality



Summary of Strategic Objectives

- 8.1 Facilitate a Sustainable and Resilient Economy.
- 8.2 Facilitate and develop partnerships to increase Early Childhood Education capacity and reduce cost.
- 8.3 Work cooperatively with UVBA, the Corporate Council and others to enhance the business climate in the region.
- 8.4 Coordinate regionally to enhance tourism opportunities in the Upper Valley
- 8.5 Implement opportunities for redevelopment in the four core business districts of the City.

Timeline: 2024-2026

Responsible Groups

City Departments

City Manager Planning

Boards and Committees

Downtown TIF EDC Planning Board

Partners

UV Business Alliance
UV Public Health Network Vital Communities

Vision Statement

The City is the economic hub of the Upper Valley. Most of the jobs in the region are located here in the City. The City is the host of a diversified and resilient economy. Traditionally the impacts of worldwide and national economic downturns impact the region to a lesser extent. The predominance of the medical sector with Dartmouth Health being the largest employer in the region and the largest employer in the State results in considerable supplemental and complimentary economic activity. The area has over 120 high tech businesses many of which are medtech and biotech companies. Many of these companies have a direct relationship or lineage from Dartmouth College and Dartmouth Health.

The region has the highest average salaries in the state. The Upper Valley economy is vibrant and resilient when it has the following;

- A trained workforce adequate to meet the needs of all employers
- An innovative, creative, and entrepreneurial culture that drivers and develops new ideas
- A diversified commercial/industrial sector that includes small, medium and large businesses
- Adequate housing to meet the needs of the workforce needed for the economy
- Adequate childcare and early childcare development to allow parents to work in the economy
- Adequate public education and postsecondary education to develop and maintain a skilled workforce
- A vibrant and diversified retail, food service and general service sectors to meet the supporting needs of the Upper Valley

The City's Master Plan addresses the larger vision statement relative to Economic Development located in Chapter 6



Social Health and Justice



Summary of Strategic Objectives

- 9.1** Develop and implement a citywide Equity Plan.
- 9.2** Maintain the City's ADA Transition Plan.
- 9.3** Implement equity in all policies, codes, charter and in the delivery of City services.
- 9.4** Be a welcoming community to people of all cultures, races, skin color, national or ethnic origin, language, religions, gender identity or expression, sexual orientation, mental or physical ability, age, political opinion or activity, economic status, immigration status or housing status.
- 9.5** Develop the concept of Environmental Justice throughout the organization and the community.

Timeline: 2024-2026

Responsible Groups

City Departments

City Manager HR Human Services Planning

Boards and Committees

City Council DEI Planning Board

Partners

Vision Statement

The City supports and upholds the federal and state constitutions. The City resolves the following;

- Preserving the public trust and promoting community identity, civic pride, and quality of life for all residents, regardless of race, skin color, national or ethnic origin, age, sex, gender identity or expression, sexual orientation, mental or physical disability, religious or political opinion or activity, immigration status, socio-economic status, or housing status
- The City takes a leading role in protecting civil liberties, promoting inclusiveness, and providing equal protection under the law to all persons in the City
- A diverse population supports a resilient economy and fosters a high quality of life for its residents and visitors, in accordance with the City's Sustainability Principles
- That while Free Speech is protected under the First Amendment; we can speak out against and discourage hate speech as contrary to our values
- The City demonstrates its commitment to protecting its residents and visitors against discrimination on the basis of race, skin color, national or ethnic origin, age, sex, gender identity or expression, sexual orientation, mental or physical disability, immigration status, religious or political opinion or activity, socio-economic status, or housing status
- The City takes a stand against ideologies of violence, hatred, and intolerance. The City denounces and rejects all ideologies based on discrimination, hatred, and intolerance, including racism, xenophobia, and homophobia, and condemns activities that promote these ideologies
- The City is committed to fair and equal treatment of everyone in our community, including in housing, education, employment, and healthcare, and will strive to ensure all of our actions, policies, and operating procedures reflect this commitment



Public Health



Summary of Strategic Objectives

- 10.1** Continue partnership with West Central Behavioral Health to enhance Mental Health Care and Response.
- 10.2** Provide effective Mobile Integrated Health Care.
- 10.3** Provide high quality Emergency Medical response capability.
- 10.4** Maintain the partnership with the Upper Valley Public Health Network to respond to public health emergencies.
- 10.5** Continue partnerships to provide Medical and Dental Care for those who cannot afford it.
- 10.6** Enhance community engagement.

Timeline: 2024-2026

Responsible Groups

City Departments

City Manager DPW/SLW Fire
Human Services Planning Police

Boards and Committees

Joint Loss

Partners

Dartmouth Health Good Neighbor Health Clinic HIV HCV Resource Center Headrest
UV Public Health Network Visiting Nurse NH & VT WCBH WISE

Vision Statement

The goal of public health is to preserve the medical and mental health of those who reside in the City and those who visit it. Eliminating or minimizing the risk of disease and injury as well as responding to and providing care to those who need it are primary objectives of municipal governments. The City works in partnership with an array of state and federal agencies along with not for profit entities to meet the objectives of the Ten Essential Public Health Services;

- Monitor Health
- Diagnose & Investigate
- Inform, Educate and Empower
- Mobilize Community Partnerships
- Develop Policies
- Enforce Laws
- Link to Services
- Assure Competent Workforce
- Evaluate