

FINAL

**LEBANON CITY COUNCIL
REGULAR SESSION MINUTES
Wednesday, May 15, 2024 7:00 p.m.
Council Chambers**

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 (Remote)

MEMBERS ABSENT:

STAFF PRESENT: City Manager Shaun Mulholland, Deputy City Manager David Brooks, Public Works Director Jay Cairelli, DPW Administrative Services Manager Kelly Crate, Finance Director Vicki Lee, Deputy Finance Director Alesia Williams, Fire Chief/Emergency Management Director Jim Wheatley

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

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

- City Manager Shaun Mulholland announced the meeting criteria for the public.
- Councilor Zook attended the meeting remotely because she was ill.

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

4. OPEN TO PUBLIC: No one from the public came forth.

5. RECOGNITIONS: None

6. ACCEPTANCE OF MINUTES:

- April 23, 2024 (Strategic Plan Work Session)

Amendments: Mark Councilor Simon present; Page 14, Line 11: Change “Chair” to “member of DEI”

- April 25, 2024 (Strategic Plan Work Session)
- May 1, 2024 (Regular Meeting)

*Councilor Liot Hill MOVED to approve the April 23, 2024 (Strategic Plan Work Session), the April 25, 2024 (Strategic Plan Work Session) and May 1, 2024 (Regular Session) minutes as amended and presented in the May 15, 2024 City Council agenda packet.
Seconded by Councilor Heistad..*

Roll Call Vote:

Councilors Heistad, Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

Absent from vote: Assistant Mayor Below was not present at the time this vote was taken

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

7. APPOINTMENTS:

- Library Board of Trustees, Leonee Derr (Alternate Member)

Councilor Wilkie MOVED to NOMINATE Leonee Derr as an Alternate Member of the Library Board of Trustees. Term: 05/24-05/26

Roll Call Vote:

Councilors Heistad, Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

Absent from vote: Assistant Mayor Below was not present at the time this vote was taken

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

- Class VI Roads Advisory, Stephen Wood (Reappointment Citizen Representative)

Councilor Heistad MOVED to NOMINATE Stephen Wood for Reappointment as a Citizen Representative to the Class VI Roads Advisory Committee. Term: 05/24-05/25

Roll Call Vote:

Councilors Heistad, Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

Absent from vote: Assistant Mayor Below was not present at the time this vote was taken

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

- Arts & Culture Commission, Stevens Blanchard (Ward 1 Citizen Representative)

Councilor Whittlesey MOVED to NOMINATE Stevens Blanchard as a Ward 1 Citizen Representative to the Arts & Culture Commission. Term: 05/24-05/26

Roll Call Vote:

Councilors Heistad, Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

Absent from vote: Assistant Mayor Below was not present at the time vote was taken

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

Assistant Mayor Below arrived at approximately 7:07 PM

8. PUBLIC HEARING ITEMS:

A. Amendment to Mount Support Road Special Assessment District; Authorization to Impose Special Assessment to pay for the Construction Phase of Traffic and Transportation Improvements at the Intersection of Mt. Support Road and Lahaye Drive, Lebanon – A public hearing for the purpose of receiving public input and taking action to amend the Mount Support Road Special Assessment District and to Authorize the Imposition of a Special Assessment to pay for the Construction Phase of Traffic and

Transportation Improvements at the Intersection of Mt. Support Road and Lahaye Drive, Lebanon.

Included in the agenda packet: **(All supportive documents and information can be found on pages 70-78, Council agenda packet)**

1. Property Owner spreadsheet for Mount Support Road Special Assessment District, including percentage of all trips and relative share of project costs, updated through March 20, 2024
2. Map of Mount Support Road Special Assessment District, updated through March 20, 2024
3. Plan entitled "Lahaye Drive at Mount Support Road Intersection Improvements, Key Plan", prepared by Weston & Sampson, dated September 2023, Project No. ENG21-1276.

Information available but not included in this Section:

4. [City of Lebanon Charter, Section C419:57 - Special Assessments - Council Resolutions](#)
5. [NH RSA 52-A - Special Assessment Districts](#)

Deputy City Manager Brooks reviewed the background and shared the Mount Support Road – Special Assessment District (SAD) topographical map from June 2, 2021.

BACKGROUND

On June 2, 2021, the City Council approved the creation of the Mount Support Road Special Assessment District (S.A.D.) to pay for the cost of design and permitting for traffic and transportation improvements in and near the intersection of Mt. Support Road and Lahaye Drive. The improvements were found to be necessary based on traffic impact studies prepared for several large development projects located near and along Mt. Support Road in the preceding year.

The basis of the special assessment for properties located within the S.A.D. was determined based on a review and analysis of the traffic impact studies and the projected trip generation for the Dartmouth Health Patient Tower Expansion project, the Dartmouth College-Michael's Student Living residential development, and the Saxon Partners-Marek residential development, as well as existing traffic counts and standard traffic projection data. In addition to the existing and approved projects in the Mt. Support Road corridor, the City was determined to be responsible for a portion of trips through the intersection that are not attributable to other developments within the district. The original calculated percentage of trips through the Mt. Support Road/Lahaye Drive intersection and the corresponding relative share of the anticipated project costs for the properties in the S.A.D. are summarized on the attached spreadsheet.

Subsequent to the creation of the S.A.D., in February 2022, another large development project (392-402 Mt. Support Road; n/f SPNH Lebanon North, LLC) was approved along Mt. Support Road within the district. In accordance with the Council's original S.A.D. resolution, the proportionate share of traffic through the Mt. Support Road/Lahaye Drive intersection was recalculated using the same methodology and incorporated the additional traffic projected to be generated from the newly-approved residential development. The updated calculated percentage of trips and corresponding relative share of anticipated project costs for the properties in the district are summarized on the attached spreadsheet.

At the time of its creation, the S.A.D. process was initiated and the district was established specifically to raise \$250,000 for the design and permitting phases of the intersection improvements. Since the City did not borrow funds for the design and permitting phases, the special assessment levied against properties in the district only includes the payback of the principal amount in 10 payments over a 5-year period. To date, six of the 10 special assessments have been levied. Four more special assessments are anticipated (two in 2024 and two in 2025) to fully recoup the cost of the design and permitting work for the improvements.

In order to now raise funds for the construction phase of the intersection improvements, which are estimated to cost approximately \$4.35 million dollars, the Council must re-initiate the S.A.D. process and amend the previously established district to authorize that the expense of constructing the traffic and transportation improvements shall be paid for, in part, by a special assessment levied upon the properties in the district. The City of Lebanon will continue to be responsible for its share of the costs, currently calculated at 7.279%, resulting from trips through the intersection that are not attributable to other developments in the district along with future background growth.

For the construction phase, the City expects to issue bonds for the cost of the project. The Finance Department has estimated that the interest on the borrowed funds will be approximately \$1.8 million dollars over the 20-year repayment period for the bond. The special assessments levied against the properties within the district, along with the City's share, for the construction phase of improvements will account for both the principal amount and the estimated interest on the borrowed funds, and will be assessed in 40 payments over 20 years.

There is a spreadsheet in the Council's agenda packet (**page 75**) that outlines all the individual parcels that are within the District. There has been one new project within the District since it was originally created and this project has already been factored into the percentages of responsibility and the traffic through the intersection. If additional projects come along during the 20-year life of this project, it would be recalculated each time and the percentages would go up and down accordingly to represent the additional traffic.

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

ACTION:

Councilor Whittlesey MOVED, the following Resolution:

1. Initiation of Special Assessment District Process.

FOR THE PURPOSE OF initiating the process to amend the previously established Special Assessment District under Chapter 147 of the City Code to propose that the expense of constructing traffic and transportation improvements in and near the intersection of Mt. Support Road and Lahaye Drive in the Mount Support Road Special Assessment District shall be paid, in part, by a special assessment levied upon the properties which shall receive such special benefit.

NOW THEREFORE BE IT RESOLVED, by the City of Lebanon, that on June 15, 2022, the Public Works Department presented plans, specifications, and estimated costs for the proposed public improvements, and on April 3, 2024, the City Manager presented a special assessment list containing all properties on which the special assessment is to be levied, and informed the City Council as to the completion of such actions, for the purpose of enabling the Council to schedule a public hearing on the proposal.

2. Amendment of Mount Support Road Special Assessment District.

FOR THE PURPOSE OF declaring that the expense of constructing traffic and transportation improvements in and near the intersection of Mt. Support Road and Lahaye Drive in the previously established Mount Support Road Special Assessment District shall be paid, in part, by a special assessment levied upon the properties which shall receive such special benefit.

WHEREAS, plans, specifications and estimated costs of the proposed public improvements have been obtained or estimated and such documents and information have been made available for public inspection; and

WHEREAS, a public hearing upon the proposal was held on May 15, 2024, following proper notice to the public and to all owners of property to be part of the Special Assessment District.

NOW THEREFORE BE IT RESOLVED, that the previously established "Mount Support Road Special Assessment District" is herewith amended for the purpose of funding the construction of traffic and transportation improvements in and near the intersection of Mt. Support Road and Lahaye Drive, such District to be comprised of the following properties upon which a special assessment will be levied:

Map 10, Lot 8.....	Dartmouth Hitchcock Medical Center
Map 10, Lot 8, Plot 100.....	Dartmouth Hitchcock Medical Center
Map 10, Lot 8, Plot 300.....	Dartmouth Hitchcock Medical Center
Map 10, Lot 8, Plot 200.....	Mary Hitchcock Memorial Hospital
Map 10, Lot 8, Plot 70100	Mary Hitchcock Memorial Hospital
Map 10, Lot 21	Mary Hitchcock Memorial Hospital
Map 10, Lot 22	Mary Hitchcock Memorial Hospital
Map 10, Lot 23	Mary Hitchcock Memorial Hospital
Map 10, Lot 25	Mary Hitchcock Memorial Hospital
Map 24, Lot 6.....	Mary Hitchcock Memorial Hospital
Map 10, Lot 8, Plot 70200	Dartmouth College Trustees
Map 10, Lot 24, Plot 100.....	Dartmouth College Trustees
Map 10, Lot 24, Plot 200.....	Dartmouth College Trustees
Map 24, Lot 2.....	Dartmouth College Trustees
Map 24, Lot 3.....	Dartmouth College Trustees
Map 24, Lot 4.....	Dartmouth College Trustees
Map 24, Lot 8.....	Dartmouth College Trustees
Map 24, Lot 1.....	Marek Lebanon, LLC
Map 24, Lot 11	Audubon Timberwood, LLC
Map 10, Lot 6, Plot 200.....	David's House, Inc.
Map 10, Lot 6, Plot 100.....	Northern NE Tele Oper, LLC
Map 24, Lot 9 & 10 (merged)	SPNH Lebanon North, LLC
Map 24, Lot 1, Plot 100.....	SPNH Mount Support, LLC
Map 24, Lot 7.....	Upper Valley Supportive Housing LP

BE IT FURTHER RESOLVED, that the basis for the assessment among the properties within the District shall be the proportionate share of traffic passing through the Mt. Support Road/Lahaye Drive intersection generated from each property within the District as determined by traffic studies, including the Traffic Impact and Access Study submitted for the Dartmouth Hitchcock Medical Center Expansion, prepared by VHB, dated November 2019; the Traffic Impact Assessment for the Dartmouth College/Michael's Student Living residential development, prepared by VHB, dated February 7, 2020; the Traffic Impact Assessment for Saxon Partners (The Marek at Lebanon, NH) residential development, prepared by VHB, dated February 28, 2020; the Traffic Impact Assessment for The Braverman Company, LLC (Proposed Apartment Development, 402 Mt. Support Road), prepared by VHB, dated April 27, 2020; and the Traffic Impact Study for Ivy Commons (now known as Timberwood Commons), prepared by RSG, dated July 2007; as well as trip generation information published by the Institute of Transportation Engineers (ITE). The methodology and calculations for each property's proportionate share shall be consistent with the plan that was presented to the Lebanon City Council on May 5, 2021 by the Planning and Development Department, including the proportionate share attributable to the City of Lebanon.

BE IT FURTHER RESOLVED, that each time the Lebanon Planning Board grants final approval for new development of property within the Mount Support Road Special Assessment District, subsequent to the establishment of the District and prior to the actual expense of the proposed public improvements being fully repaid to the City, the proportionate share of traffic through the Mt. Support Road/Lahaye Drive intersection

shall be recalculated using the same methodology consistent with the plan presented to the Lebanon City Council on May 5, 2021 and incorporating the projected traffic generated from such new development. The new proportionate share calculations shall be reflected in the next installment of special assessments levied upon each property in the District and shall apply to the remaining balance of appropriated funds.

3. Authorize the Imposition of a Special Assessment for the Proposed Public Improvements.

FOR THE PURPOSE OF financing the construction of traffic and transportation improvements in and near the intersection of Mt. Support Road and Lahaye Drive within the Mount Support Road Special Assessment District; and

FOR THE FURTHER PURPOSE of imposing a special assessment for the proposed public improvements.

NOW THEREFORE BE IT RESOLVED, that, whereas the Lebanon City Council has, by Resolutions #9 and #10 approved on December 14, 2022, appropriated funding for the construction of traffic and transportation improvements in and near the intersection of Mt. Support Road and Lahaye Drive within the Mount Support Road Special Assessment District and authorized the issuance of a bond issue or bond issues in an amount not to exceed \$4,350,000 (Four Million, Three Hundred Fifty Thousand Dollars), with \$4,033,360 of the total bond issue to be supported through a special assessment apportioned among the properties comprising the Mount Support Road Special Assessment District, and with the remaining \$316,640 of the total bond issue to be supported from the City's general fund based on the City's proportionate share.

BE IT FURTHER RESOLVED, that, whereas the City of Lebanon has authorized the issuance of a bond or bonds in an amount not to exceed \$4,350,000 (Four Million, Three Hundred Fifty Thousand Dollars), the estimated interest payments over the twenty (20) year period of the bond will be \$1,800,000, which shall be apportioned and paid for among the properties comprising the Mount Support Road Special Assessment District, including the proportionate share attributable to the City of Lebanon.

BE IT FURTHER RESOLVED that the City Manager, after completion of the construction of traffic and transportation improvements in and near the intersection of Mt. Support Road and Lahaye Drive, is authorized to apportion the total actual cost including, but not limited to, construction, construction engineering, debt service, and all other related costs, among the properties comprising the Mount Support Road Special Assessment District, including the proportionate share attributable to the City of Lebanon, with said special assessment to be paid in forty (40) payments over a period not to exceed twenty (20) years. Such special assessments shall be levied contemporaneously with each property's semi-annual tax bill beginning with the June 2024 tax bill.

BE IT FURTHER RESOLVED, that Mount Support Road Special Assessment District property owners shall have the right to pay the balance due of the special assessment (principal) in full at any time, but such payment shall not be reduced in any way for a discount or adjustment and that the special assessment shall be collected by the Tax Collector in the same manner as real estate taxes pursuant to the provisions of RSA Chapter 80. Seconded by Councilor Wilkie.

Roll Call Vote:

Assistant Mayor Below, and Councilors Heistad, Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

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

- B. Complete Discontinuance of Romano Circle as a Class V Public Highway, West Lebanon** – A public hearing for the purpose of receiving public input and taking action to discontinue completely, and in its entirety, Romano Circle as a Class V Public Highway, West Lebanon.

Included in the agenda packet: **(All supportive documents and information can be found on pages 79-85, Council agenda packet)**

1. Romano Circle; Request for Discontinuance letter from Attorney Megan C. Carrier, Esq., dated February 12, 2024
2. Granite Engineering - Lebanon Housing Authority, Conceptual Overview Plan, dated February 9, 2024

Deputy City Manager Brooks reviewed the background for the discontinuance of Romano Circle as a Class V Public Highway, West Lebanon.

BACKGROUND

Romano Circle is located west of South Main Street (Route 12A) in West Lebanon. The Lebanon Housing Authority (LHA) owns property that completely surrounds Romano Circle, and LHA has requested this discontinuance via letter and plans issued to the Department of Public Works. Refer to the attached request letter prepared by Sheenan Phinney, dated February 12, 2024. The letter documents details of the request, as well as details related to abutting properties, proposed street maintenance, proposed easements, and future operations.

The letter also references a pending proposal for a new office building. The addition of this office building is anticipated to result in the need for revised E911 address numbering for buildings located along Romano Circle. Accompanying the letter is a site plan titled "Conceptual Overview Plan" prepared by Granite Engineering, dated February 9, 2024. This plan consists of two sheets that show the current approximate Romano Circle right-of-way (ROW) as well as the location of the proposed new office building.

Should the City Council approve this request for discontinuance, easements for maintenance of water, sewer, and drainage facilities located along Romano Circle will need to be prepared, along with easement plans, for recording at the Grafton County Registry of Deeds. The purpose of the easement would be to allow the City to continue to access and maintain the utilities currently constructed within and along the Romano Circle ROW. If the discontinuance is approved, the public ROW along Romano Circle would be discontinued, and the surrounding property limits would be extended to the centerline of the ROW.

As proposed, access to Romano Circle by the Lebanon School District will remain in place should the City Council approve this request for discontinuance, provided that the Lebanon Housing Authority reasonably maintains the access, including prompt snow removal for bus access.

The Lebanon Housing Authority property (M/L 101-20) is the only parcel that would be impacted by the proposed discontinuance. The Department of Public Works supports this request.

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

ACTION:

Councilor Liot Hill MOVED, that the Lebanon City Council hereby discontinues completely, and in its entirety, Romano Circle in West Lebanon, as a Class V Public Highway as shown on plans and information included in the May 15, 2024 City Council Agenda Packet.

BE IT FURTHER MOVED, that such discontinuance is conditional upon, and shall not take effect unless and until, the Lebanon Housing Authority conveys to the City full easement rights for continued access to and maintenance of existing municipal utilities, including water, sewer, and storm drainage systems, located within such street subject to approval by the Public Works Director and the City's attorney.

Seconded by Councilor Wilkie.

Roll Call Vote:

Assistant Mayor Below, and Councilors Heistad, Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

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

C. Supplemental Appropriation of \$100,000 for Mascoma Lake Watershed Protection Plan; Authorization for City Manager to apply for Clean Water State Revolving Fund Loan; Designation of City Manager as Authorized Representative of the City – A public hearing for the purpose of receiving public input and taking action to appropriate \$100,000 for completion of a Mascoma Lake Watershed Protection Plan; to authorize the City Manager to apply for a New Hampshire Clean Water State Revolving Fund Loan up to \$100,000; and to designate the City Manager as the authorized representative of the City.

Included in the agenda packet: **(All supportive documents and information can be found on pages 86-115, Council agenda packet)**

1. CWSRF Pre Application for the Mascoma Watershed Protection Plan (two parts and attachments)

Public Works Director Jay Cairelli reviewed the background behind this requested appropriation, which is for the City of Lebanon's main water resource.

BACKGROUND

This Clean Water State Revolving Fund (CWSRF) loan application is intended to develop a watershed-based management plan for the Mascoma Lake Watershed, which is the City of Lebanon's main water resource. This plan is needed to protect the lake from the harmful algae blooms that we have experienced at an increasing rate in recent years. In order to accept CWSRF loan funding, the watershed-based management plan must meet the United States Environmental Protection Agency's (USEPA) requirements for nine-element, watershed-based management plans:

Summary of the nine minimum elements:

1. Identify the causes and sources.
2. Estimate pollutant loading into the watershed and the expected load reductions.
3. Describe management measures that will achieve load reductions and targeted critical areas.
4. Estimate the amounts of technical and financial assistance and the relevant authorities needed to implement the plan.
5. Develop an information/education component.
6. Develop a project schedule.
7. Develop the interim, measurable milestones.
8. Identify indicators to measure progress and make adjustments.
9. Develop a monitoring component.

The Watershed Protection Plan will address external and internal phosphorus loading to Mascoma Lake and the

sub-watersheds through development of a management plan that identifies the sources and the necessary steps to reduce loading from each of the sub- watersheds within Mascoma Lake Watershed.

In early April, NHDES issued an invitation for pre-applications for the 2024 CWSRF loan program and plans to continue offering the following incentives:

Planning, 100% up to \$100,000:

NH CWSRF plans to award 100% principal forgiveness, up to \$100,000, for wastewater and/or stormwater planning evaluations. Submit CWSRF Pre-applications to be considered for any available funding in this category.

The City proposes to apply for and receive a CWSRF loan with 100% principal forgiveness, up to \$100,000. As a result, the proposed Mascoma Lake Watershed Management Plan project will have no impact on the City's tax rate.

Pursuant to City Charter Section C419:43, Appropriations After Budget is Adopted, requests for appropriations that are not included in the annual budget require a two-thirds (2/3) majority vote of the Council after a public hearing.

Mayor McNamara opened the Public Hearing.

- Mr. Jim Martell (Mascoma Lake Association) came forth and spoke about why cyanobacteria blooms have been increasing over the last 5 years. We are also hoping this plan will identify remediation measures to try and reduce phosphates and other contaminants going into the lake. He noted that testing is done three times each year in June, July and August. All testing results are located on the NH Department of Environmental Administration's (NH DEA) website.

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

ACTION:

Councilor Wilkie MOVED, the following Resolution:

RESOLVED, by the City of Lebanon, that funds in the amount of \$100,000 (One Hundred Thousand Dollars) be appropriated for expenditure in the Capital Improvements Fund for a new Mascoma Lake Watershed Protection Plan.

WHEREAS, the City of Lebanon, after thorough consideration of the nature of water pollution problems, hereby determines that the completion of a certain planning study, generally described as a Mascoma Lake Watershed Protection Plan - \$100,000, is 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 \$100,000; 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 a loan application and to authorize other actions in connection therewith.

NOW THEREFORE BE IT FURTHER 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; and 6) That if such loan be made, the City agrees to make provisions for pursuing implementation of the watershed-based management plan upon completion of the planning study.

This resolution shall be effective upon passage.

Seconded by Councilor Sykes.

Roll Call Vote:

Assistant Mayor Below, and Councilors Heistad, Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

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

D. Supplemental Appropriation of \$568,000 for PFAS Leachate Study; Authorization for City Manager to apply for Clean Water State Revolving Fund Loan; Designation of City Manager as Authorized Representative of the City – A public hearing for the purpose of receiving public input and taking action to appropriate \$568,000 for completion of a PFAS Leachate Study at the Lebanon Landfill; to authorize the City Manager to apply for a New Hampshire Clean Water State Revolving Fund Loan up to \$568,000; and to designate the City Manager as the authorized representative of the City.

Included in the agenda packet: [\(All supportive documents and information can be found on pages 116-124, Council agenda packet\)](#)

Public Works Director Jay Cairelli reviewed the background for the appropriations as listed above.

BACKGROUND

Following a study commissioned in 2022 by the City of Lebanon, it has been revealed that leachate from the landfill significantly contributes to PFAS loading within the City's wastewater treatment plant. Recognizing the importance of addressing this issue, DPW is committed to exploring viable methods aimed at mitigating PFAS concentrations in leachate and effectively managing resultant waste concentrate and is requesting funding to perform additional study.

The purpose of the proposed study is to provide the design basis for a treatment system that can effectively remove PFAS from the landfill leachate and wastewater to achieve the protection of the environment for the City. The objectives of the study are to:

- Better understand the PFAS mass balance and water chemistry to ensure the leachate treatment using the correct technology.
- Conduct a pilot study to obtain design parameters for full-scale system.
- Conduct benchmark/pilot studies to identify the alternatives and methods for waste concentrates generated from PFAS treatment.

In early April, NHDES issued an invitation for pre-applications for the 2024 CWSRF loan program, and plans to continue offering the following incentives:

Emerging Contaminants 100% Additional Subsidy/Principal Forgiveness:

NH CWSRF is applying for the 2024 Capitalization Grant to address emerging contaminants. Currently, NHDES intends to focus on PFAS and utilize these funds for loans with principal forgiveness for treatment of landfill leachate from municipally owned landfills that discharge to a municipal wastewater treatment plant. NHDES is also interested in projects that evaluate and demonstrate regional or state-wide solutions to reduce or eliminate PFAS in wastewater residuals.

The City proposes to apply for and receive a CWSRF loan with 100% principal forgiveness. As a result, the proposed PFAS Leachate Study at the Lebanon Landfill project will have no impact on the City's tax rate.

Pursuant to City Charter Section C419:43, Appropriations After Budget is Adopted, requests for appropriations that are not included in the annual budget require a two-thirds (2/3) majority vote of the Council after a public hearing.

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

ACTION:

Councilor Sykes MOVED, the following Resolution:

RESOLVED, by the City of Lebanon, that funds in the amount of \$568,000 (Five Hundred Sixty-Eight Thousand Dollars) be appropriated for expenditure in the Capital Improvements Fund for a new PFAS Leachate Study at the Lebanon Landfill.

WHEREAS, the City of Lebanon, after thorough consideration of the nature of water pollution problems, hereby determines that the completion of a certain planning study, generally described as a PFAS Leachate Study at the Lebanon Landfill - \$568,000, is 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 \$568,000; 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 a loan application and to authorize other actions in connection therewith.

NOW THEREFORE BE IT FURTHER 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; and 6) That if such loan be made, the City agrees to make provisions for pursuing implementation of the PFAS Leachate Study upon completion of the planning study.

This resolution shall be effective upon passage.

Seconded by Councilor Liot Hill.

Roll Call Vote:

Assistant Mayor Below, and Councilors Heistad, Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

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

E. Supplemental Appropriation of \$53,200 for Electric Street Sweepers and Charging Stations Capital Project – A public hearing for the purpose of receiving public input and taking action to appropriate \$53,200 to supplement current funding for the Electric Street Sweepers and Charging Stations capital project to cover the City's portion of the funds required to accept funding from the NHDES Granite State Clean Fleets Grant Program.

Included in the agenda packet: **(All supportive documents and information can be found on pages 125-128, Council agenda packet)**

1. Granite State Clean Fleet - EVSE and Sweeper Costs - Revised budget spreadsheet as of April 5, 2024

Public Works Director Jay Cairelli reviewed the background, changes, and reasons for the supplemental appropriation as listed above. He was uncertain if the funds would be needed, but they are matching the request that is going to the Governor's Council from the NH DES.

BACKGROUND

In October 2023, City staff applied for Granite State Clean Fleets (GSCF) funding from the NH Department of Environmental Services (NHDES) to: 1) replace two existing street sweeper units in the City's fleet; 2) install one Level 2 electric vehicle (EV) charging station at the DPW garage; 3) install one Level 3 "fast" EV charging station at the Lebanon landfill; and 4) integrate the Level 3 charging station with an off-grid renewable power source, namely the ongoing landfill gas-to-energy project.

The original project budget was developed based on the Request for Proposals (RFP). Since that time, the City's share of the project cost has increased in the last five months, aside from typical cost inflation considerations, necessitating a request for an additional appropriation from Lebanon City Council. The increase was caused by two factors:

1. NHDES's grant agreement identified requirements that were not in the original RFP, including for EV charger up-time and similar performance metrics, and a 5-year warranty. City staff sought revised vendor quotes to meet these requirements and the associated costs are now greater than the original budget. These are both eligible costs.
2. NHDES notified the City that the original budget's categorized engineering design costs were eligible, but they are now ineligible.

It is proposed that the additional funds would be raised from property taxes.

Pursuant to City Charter Section C419:43, Appropriations After Budget is Adopted, requests for appropriations that are not included in the annual budget require a two-thirds (2/3) majority vote of the Council after a public hearing.

Mayor McNamara opened the Public Hearing.

- Mr. Raymond Hood (Ward-2). He questioned how many sweepers the City is going to buy. Mr. Cairelli said they were buying two (2) at a cost of \$1.78M. The most recent quote they received was closer to \$1.3M and there is a 5% city share in this amount which is just under \$100K. City Manager Mulholland noted that \$165K has already been appropriated. In response to Mr. Hood's other question regarding repairs on the vehicles, Mr. Carelli said they had a meeting with the head of the largest fleet in Colorado who currently runs seven (7) of these units and they were happy with their performance and had no negative comments.

Assistant Mayor Below also noted that in general, electric motor vehicles has lower costs than internal combustion engines vehicles because there are less parts to be servicing or repairing. Also, a big chunk of this grant goes towards making the landfill gas-to-energy project capable of charging the vehicle(s) when there is an extended power outage.

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

ACTION:

Councilor Liot Hill MOVED the following Resolution:

RESOLVED, by the City of Lebanon, that funds in the amount of \$53,200 (Fifty-Three Thousand Two Hundred Dollars) be raised and appropriated for expenditure in the Capital Improvements Fund to supplement current funding for the Electric Street Sweepers and Charging Stations Capital Project to cover the City's portion of the funds required to accept funding from the NHDES Granite State Clean Fleets Grant Program.

This resolution shall be effective upon passage.

Seconded by Councilor Wilkie.

Roll Call Vote:

Assistant Mayor Below, and Councilors Heistad, Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

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

F. Ordinance #2024-06 to amend City Code Chapter 168, Vehicles and Traffic, to designate a portion of Church Street as a One-Way Street – A public hearing for the purpose of receiving public input and taking action on proposed Ordinance #2024-06 to amend City Code Chapter 168, Vehicles and Traffic, §168-9, One-way streets, to designate the northerly 325 feet of Church Street in Lebanon as a one-way street with a northward direction of travel.

Included in the agenda packet: **(All supportive documents and information can be found on pages 129-133, Council agenda packet)**

1. Proposed Ordinance #2024-06
2. Proposed One-Way Church Street aerial image, dated April 15, 2024
3. "Layout and Materials Plan" for Lebanon Fire Station (Sheet C2.00), prepared by VHB, dated April 3, 2024

City Manager Mulholland reviewed the background and noted the purpose for this change has to do with the demolition and construction of the Central Fire Station.

BACKGROUND

The City Council has approved the replacement of the Central Fire Station located at 12 South Park Street. The results of a recent geotechnical engineering study have indicated ground improvements are necessary for the construction of the proposed station. Completion of these ground improvements will require additional separation between the current Fire Station at 12 South Park Street and the Sunrise Buffet building located at 2 Mascoma Street. The separation will require the new Fire Station building to encroach further into Church Street limiting the roadway width to approximately 18.82 feet at its narrowest point. Based on a collaborative meeting with the design team, civil engineers, and the Lebanon Department of Public Works, it is recommended that Church Street become a one-way street for the northerly 325 feet with a northward direction of travel as reflected in the attached aerial image.

Mayor McNamara opened the Public Hearing and the following came forth to speak:

- Mr. Clay Henbry (46 Church Street): He was generally in favor of this project but spoke about his concerns regarding safety issues at the Water Street intersection because of the significant residential projects that will be happening there.
- Mr. Raymond Hood (Ward-2): He spoke about his reasons in support of this project noting Lebanon has the best Police/Fire Departments. However, he was concerned about what will happen when the Davidson's apartments are built and how this will affect the travel flow.
- Mr. Tim Sedor (Bank Street - owner of 2 Mascoma St – former Village Market): He spoke about his support for the LFD (Lebanon Fire Department) and the need for a new Fire Station. Their goal is to both redevelop the existing supermarket building and still have approved plans to construct 152 badly needed housing units. He was pleased to say, that while nothing is definite, we are extremely close to bringing a grocery store back to the former Village Market, which is not only a much needed amenity to our Downtown, but it also helps make the Arden Towers housing units viable. One of the barriers to development is access and further explained the access, noting that you cannot turn left out of the site, which creates a challenge. He also spoke about parking behind the site noting that the loss of those space presents an additional challenge and wanted to make sure the viability of their property is not forgotten or so negatively impacted that they lose this opportunity (for a grocery store). A couple of solutions for access would be to look at removing the median on Mascoma street to increase access in and out of the site and would still allow for the safe flow of traffic. For parking, they have been working on plans to potentially develop a parking deck that can be used not only for their property but also for the City at large and further explained how this could be done.

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

Council/Staff Comments:

In response to some of Councilor Whittlesey's questions, Deputy City Manager Brooks presented and explained the screenshot below, which was approved by the Planning Board in July 2022, noting there is no direct access to this property from Water Street. There was a plan to have shared parking off Water Street but was uncertain if they have been able to attain the commitment to utilize that parking for as long as the need exists and further explained the access to parking, noting this is a parking lot for the Fire Station.



Lebanon Fire Chief Wheatley noted it was important they have some control over the parking because they will be losing some parking spaces with the design of the new Fire Station. He felt that having emergency access is a viable option and explained his reasons. He had high concerns about routine traffic, as well as the wear and tear on the new parking lot behind the Fire Station.

City Manager Mulholland noted a proposal is being done and he will be glad to look at this when it comes in, as well as looking at the proposal for the parking garage concept.

The Council discussed the process for potentially reconfiguring how traffic would flow on Mechanic St.; whether or not this can be handled municipally; Fire Chief Wheatley's concerns regarding a backup (in traffic) when (emergency vehicles) back into the Fire Station; the importance of having plans in place for the Council's review and evaluation; whether or not the timeliness of the project needs to be done now or can we take a comprehensive approach to this; how the City has already spent \$2M on a bond for this project and the reasons why, if we cannot go forward with the project, it will need to be stopped; the improvements needed for the new Fire Station and what improvements are scheduled; whether or not if it would make sense to delay the one-way street project 1-2 months (until August 1st); how having a traffic light on Church St. is not worth investing in due to the low volume of traffic; what else could possibly be done to make traffic going to and from a grocery store more viable; and, the importance of keeping the construction of the new Fire Station on track.

ACTION:

Councilor Whittlesey MOVED, that the Lebanon City Council hereby adopts Ordinance #2024-06 to amend City Code Chapter 168, Vehicles and Traffic, §168-9, One-way streets, to designate the northerly 325 feet of Church Street in Lebanon as a one-way street with a northward direction of travel, as presented in the May 15, 2024 City Council agenda packet.

Seconded by Councilor Wilkie.

Assistant Mayor Below suggested that §3 of the proposed Ordinance as written in Council packet be changed to read: "The Ordinance shall become effective on August 1, 2024."

Vote to accept the Amended Motion as presented by Assistant Mayor Below. Councilor Whittlesey, as maker of the Motion, agreed to incorporate that change to his Motion, and Councilor Wilkie, as the Councilor who seconded the Motion, also agreed to the change.

Roll Call Vote:

Assistant Mayor Below, and Councilors Heistad, Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

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

Councilor Liot Hill spoke to her vote on the Amended Motion noting she voted for this in good faith because she did not want to have any obstacles for the Fire Station, and because, from what she heard, there is a time-sensitive nature to this request. She was not comfortable moving forward with this without knowing there is also a viable option that will allow a grocery store to come back to Downtown Lebanon and hoped the Council will soon hear from CREDO about their plans, particularly about what would bring back a grocery store to Downtown Lebanon. Bringing back a grocery store to Downtown Lebanon is a high priority for her.

9. OLD BUSINESS: NONE

10. NEW BUSINESS:

A. Review and Discussion of 2023 4th Quarter Budget Report

Included in the agenda packet: **(All supportive documents and information can be found on pages 134-195, Council agenda packet)**

1. May 15, 2024 Memo and 4th Quarter 2023 Revenue and Expenditure Reports from Finance

Alesia Willams (Deputy Finance Director) reviewed the budget reports summary for year-to-date expenditures and revenues activity for the fourth quarter of 2023 as presented in the May 15, 2024 Council agenda packet.

ACTION: No action was required. This item was for informational purposes only

B. Review and Discussion of 2024 1st Quarter Budget Report

Included in the agenda packet: **(All supportive documents and information can be found on pages 196-250, Council agenda packet)**

1. May 15, 2024 Memo and 1st Quarter 2024 Revenue and Expenditure Reports from Finance

Alesia Willams (Deputy Finance Director) reviewed the first quarter Budget Report for 2024 as presented in the May 15, 2024 Council agenda packet.

ACTION: No action was required. This item was for informational purposes only

C. Release of Collected Public School Impact Fees (1st Quarter 2024)

Included in the agenda packet: **(All supportive documents and information can be found on pages 251-255, Council agenda packet)**

Alesia Willams (Deputy Finance Director) reviewed the Collected Public School Impact Fees and the background behind these fees.

BACKGROUND

A Memorandum of Understanding (MOU) was developed in 2010 between the City and the School District for the quarterly transfer of collected Public Schools Impact Fees to the Lebanon School District for application toward the payment of debt on the (then) new middle school.

On October 12, 2021, the Planning Board authorized a broader use of Public Schools Impact Fees to include construction, renovation, improvement, or expansion of K-12 school buildings and related building systems, equipment, and furnishings. A revised MOU was developed and signed on November 22, 2021.

To date \$841,889.39 of collected impact fees have been disbursed to the Lebanon School District.

7/17/2013	\$83,690.78	11/6/2013	\$14,651.99	5/21/2014	\$19,407.00
8/6/2014	\$2,122.75	2/18/2015	\$723.00	5/20/2015	\$2,819.00
7/15/2015	\$1,627.50	11/4/2015	\$936.00	3/2/2016	\$3,156.00
5/18/2016	\$864.00	5/17/2017	\$5,230.00	12/6/2017	\$6,140.75
2/7/2018	\$41,262.70	9/5/2018	\$12,564.45	2/6/2019	\$1,833.10
8/7/2019	\$8,822.20	4/15/2020	\$40,432.02	7/15/2020	\$123,709.65
12/2/2020	\$57,567.42	1/21/2021	\$102,409.40	8/4/2021	\$12,695.86
1/19/2022	\$9,035.45	4/20/2022	\$3,216.15	10/19/2022	\$261,738.35
2/1/2023	\$2,185.00	4/19/2023	\$3,824.44	9/6/2023	\$3,142.57
11/15/2023	\$9,740.60	2/27/2024	\$6,341.26		

This request was for the City Council to authorize the disbursement of \$11,899.60 in collected Public School Impact Fees (through 03/31/2024) to the Lebanon School District.

ACTION:

Councilor Whittlesey MOVED, that in accordance with Section 213.10 (Administration of Impact Fees) of the Lebanon Zoning Ordinance, and the November 22, 2021 Memorandum of Understanding between the City of Lebanon and the Lebanon School District, SAU 88, the City Council hereby authorizes the disbursement of \$11,899.60 in collected Public School Impact Fees to the Lebanon School District to be applied toward the construction, renovation, improvement or expansion of K-12 school buildings and related building systems, equipment, and furnishings.

Seconded by Councilor Liot Hill.

Roll Call Vote:

Assistant Mayor Below, and Councilors Heistad, Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

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

- D. Review of Draft Development Agreement for Redevelopment of 20 Spencer Street Property;
Authorization to Sell Property Pursuant to Terms of Agreement**

Included in the agenda packet: **(All supportive documents and information, including photos, property description, the Development Agreement, and site plans can be found on pages 256-293, Council agenda packet)**

1. Draft Development Agreement - 20 Spencer Street, between The Muse Lebanon, LLC and the City of Lebanon, revised May 7, 2024.
2. Excerpts of 20 Spencer Street RFP response from The Muse Lebanon, LLC / Tamposi
3. City Council Policy, CC-102, Real Property Transactions

Available, but not included in agenda packet:

4. [20 Spencer Street Redevelopment Project, RFP response from The Muse Lebanon, LLC / Stephen and Jake Tamposi](#), including:
 - a. [February 7, 2024 response to questions](#)

Deputy City Manager Brooks reviewed the background and the changes made to the Development Agreement between The Muse Lebanon, LLC and the City of Lebanon (i.e., the development of a playground; what portions of the property are below the base flood elevation and the plans to bring this site above base flood elevation; changes made to the live/work units; and, the willingness of the property owners to accommodating vouchers for low-income housing as established from the NH Housing Authority for some units.

BACKGROUND

In September 2023, the City issued a Request for Proposals (RFP) seeking to identify a qualified and capable non-profit, private developer, or development team to propose and complete the redevelopment and revitalization of the 20 Spencer Street property for the express purpose of having the site redeveloped for 100% residential workforce housing. The City ultimately received and reviewed three responses to the RFP earlier this year, including one from The Muse Lebanon, LLC.

On March 6, 2024, the City Council authorized the City Manager to enter into further negotiations with The Muse Lebanon, LLC / Jake Tamposi regarding the redevelopment of the 20 Spencer Street for an affordable, workforce housing development. Since that time, the City and the developer have been communicating regularly and have drafted a proposed Development Agreement which outlines the basic expectations of each party relative to the redevelopment effort. The draft Development Agreement ([pages 258-264, Council agenda packet](#)) has been reviewed by legal counsel for both the City and The Muse Lebanon and is ready for review and consideration by the City Council. (It is noted that not all Exhibits referenced in the draft Agreement are attached and, specifically, that the Option Agreement will be finalized following action by the City Council and will be used to prepare a Purchase and Sale Agreement between the parties.)

The City Council previously voted on August 1, 2012, to determine that the property at 20 Spencer Street was deemed as Surplus City Property. Therefore, in accordance with Section 4.1.2 (Disposing of Property) of Council Policy CC-102, Real Property Transactions, it is recommended the City Council authorize the sale of the 20 Spencer Street property to The Muse Lebanon, LLC, pursuant to the terms and conditions outlined in the draft Development Agreement, and to authorize the City Manager to execute all necessary agreements and documents to effectuate the conveyance.

ACTION:

Councilor Sykes MOVED that:

FOR THE PURPOSE OF facilitating the redevelopment of city-owned property located at 20 Spencer Street.

WHEREAS, by action of the Lebanon City Council on August 1, 2012, the city-owned property located at 20 Spencer Street was deemed as Surplus City Property; and

WHEREAS, in September 2023, the Lebanon City Council authorized the issuance of a Request for Proposals (RFP) for the redevelopment of 20 Spencer Street for the express purpose of having the site redeveloped for 100% residential workforce housing, with specific criteria on which the proposals would be evaluated and scored; and

WHEREAS, on March 6, 2024, the Lebanon City Council authorized the City Manager to enter into further negotiations with The Muse Lebanon, LLC I Jake Tamposi regarding the redevelopment of the 20 Spencer Street for an affordable, workforce housing development, based on The Muse's response to the issued RFP, received January 26, 2024.

NOW THEREFORE BE IT RESOLVED, the Lebanon City Council hereby authorizes the sale of city-owned property at 20 Spencer Street (further identified as Tax Parcel 92-31) in accordance with Section 4.1.2 (Disposing of Property) of City Council Policy CC-102, Real Property Transactions, to The Muse Lebanon, LLC I Jake Tamposi, pursuant to the terms and conditions outlined in a draft Development Agreement, revised May 7, 2024, as presented in the May 15, 2024 City Council Agenda Packet.

**BE IT FURTHER RESOLVED, the Lebanon City Council hereby authorizes the City Manager to finalize and execute all necessary agreements and documents to effectuate the conveyance of said 20 Spencer Street property to The Muse Lebanon, LLC I Jake Tamposi.
Seconded by Councilor Wilkie.**

Roll Call Vote:

**Assistant Mayor Below, and Councilors Heistad, Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.
None voted Nay.**

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

11. CITY MANAGER REPORT:

City Manager Mulholland updated the Council on the following:

- Council invited to the groundbreaking ceremony for Lebanon's Landfill Gas-to-Energy Project.
- Westboro Yard Updates.
- Lebanon Tax Bills: What the public is not aware of is that the 1st half of the tax bill, being sent out in June, only represents an estimate from the previous year. It is important to make the public aware that their taxes will be going up and give them some advance warning. He is preparing a PowerPoint presentation, a video, and will be putting out messages on the City's website, etc., so this information gets out to the public.
- Assistant Mayor Below informed the Council about the Lifelong Learning Institute's upcoming event. City Manager Mulholland will send the Councilors meeting invites for May 21, 2024, 4:30-6PM.
- New City Manager Intern "Klaleh" (Yale), from Lebanon, started today.

12. COUNCIL REPRESENTATIVES TO OTHER BODIES:

13. FUTURE AGENDA ITEMS:

14. NON-PUBLIC SESSION: NONE

15. ADJOURNMENT:

Councilor Whittlesey MOVED for adjournment.

Seconded by Councilor Wilkie.

Roll Call Vote:

Assistant Mayor Below, and Councilors Heistad, Liot Hill, Simon, Sykes, Whittlesey, Wilkie, Zook and Mayor McNamara all voting Yea.

None voted Nay.

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

The meeting was adjourned at 8:57 PM.

Respectfully submitted,

Dona E. Gibson

Recording Secretary

