

FINAL

**LEBANON CITY COUNCIL
BUDGET WORK SESSION MINUTES
Thursday, November 7, 2024, 5:30 p.m.
Council Chambers**

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

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

MEMBERS ABSENT: Devin Wilkie

STAFF PRESENT: City Manager Shaun Mulholland, Deputy City Manager David Brooks, Director of Public Works Jay Cairelli, Assistant Public Works Director Rick Brown, Administrative Services Manager Kelly Crate, Deputy Finance Director Alesia Williams, Assistant Public Works Director Chris Kilmer (virtual), Solid Waste Manager Erica Douglas (virtual)

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

2. QUESTION & ANSWER SESSION

- Public Works
 - Cemeteries (**Pages 17-18, Council Agenda packet**)
 - Administration (Engineering, Energy & Facilities, Operations & Maintenance (**Pages 19-23, Agenda packet.**)
 - Solid Waste Disposal (**Pages 24-27, Council agenda packet**)
 - Water Treatment & Distribution (**Pages 28- 31, Council agenda packet**)
 - Sewage Collection & Disposal (**Pages 32-36 Council agenda packet**)

The City of Lebanon's DPW Proposed 2025 Budget materials and all supportive documentation, including detailed itemized budget information can be found on pages 2-36, Council agenda packet.

Jay Cairelli, Director of Public Works and Rick Brown, Assistant Director of Public Works, came forth to speak about the accomplishments achieved in 2024 and their proposed DPW budget/goals in 2025.

Mr. Cairelli spoke about the four biggest challenges, the first being that the City is losing ground on pavement management, due to the vast volume of work needed to be done. This will be the bulk of his presentation. The other three areas are sidewalk maintenance and repairs, and again, like roadways, they are deteriorating faster than they have funding to complete the necessary repairs. Waste capping, which was discussed during last night's meeting, with a proposed budget increase of 15%, and lastly, the new water source project.

The proposed budget has modest increases and allows for maintaining the current level of service, except for solid waste. This is a bare bones proposal to be able to maintain the current level of service. Paving proposed budget is \$620,000, which is not sufficient, but the contractor has agreed to hold the bid they offered in 2024, and Jay thinks this is the last time the City can get this work done for the price of \$659,000. He thinks the cost can be supplemented with the guard rail budget and other funds. The cost of

materials is going up much faster than what CPI has been in recent years, so he does not think there will be another opportunity to get the work completed for this price.

He showed pictures of the poor condition of Storrs Hill, a direct result of unfunded work. Uncompleted but necessary work often results in emergency repairs, citizen complaints, washouts, premature failure of car parts, etc. These repair delays cost the City and its citizens money.

Lebanon is currently at an index of 72 for average condition (also the current low national average), with DPW's goal to be at an 80 Average Pavement Condition Index. An 80 allows for communities to be in *preservation mode* and get better use of the funding available. The current backlog is \$17.2M. Over \$6M of this is deferred maintenance and not included in the proposed budget.

Mr. Cairelli explained the difference between reclaimed and rebuilt pavement. Most of the proposed budget allows for reclaimed only.

The graph on page 5 poignantly shows PCI decline with the current funding strategy, which increases exponentially over time. The current cost per mile is much less than it will be in the future.

The original proposed budget was \$3.5M for paving and would have allowed them to get to preservation mode and attain the 80-index goal.

Mr. Cairelli shared that Preservation by Chip Seal (20% rubber) is relatively inexpensive at \$71,500 /mile compared to any other options, with 1" Overlay being the next least expensive at \$80,000/ mile.

Their policy is to work on the worst roads first, but this eats up the budget quickly given the higher costs per mile. The present rate of spending is not sufficient.

Sidewalks generate the second highest number of complaints by call volume (trips and falls, unsightly, etc.). There are 30 miles of sidewalks in the City and a goal has been to have many of these connect and have Lebanon be a walkable city. If Lebanon is to become a walkable city, this too needs to be addressed.

City Manager Mulholland reiterated that the most expensive issue in the City is the condition of the roads and the failure to maintain them. There will be consequences for this. The amount being budgeted is insufficient. The failure to maintain these roads will cost the City more in the future, in capital, cash, the delay of other projects, along with the costs for damage to vehicles, for people that travel through these areas. There are other smaller communities, less affluent than Lebanon, that spend much more to maintain their roads. This is the quintessential issue for the City to address in the general fund, the ability to maintain these roads. \$3.5M is what is needed now.

Mr. Cairelli will get a cost diagram showing what the annual cost would be to maintain at the 80 level, along with realistic times the work would last (timelines), if the City made a one-time investment of \$3.5M to do the current necessary roadwork.

Mayor McNamara stated that gravel roads are much less expensive to maintain than paved roads. This could be a consideration for those roads where the traffic and population density per mile is low.

**CITY OF LEBANON
DEPARTMENT OF PUBLIC WORKS**

2025 PROPOSED BUDGET



**DEPARTMENT OF PUBLIC WORKS
4 DIVISIONS
&
COST CENTERS**



**DPW – ADMINISTRATION,
ENGINEERING, OPERATIONS AND
MAINTENANCE (HIGHWAY),
CEMETERIES, FLEET and
FACILITIES/BUILDINGS & ENERGY**



**SOLIDWASTE:
LANDFILL & RECYCLING**



**WATER :
TREATMENT PLANT, DISTRIBUTION
(WATERMAINS, STORAGE TANKS,
BOOSTER STATIONS) & METERS**



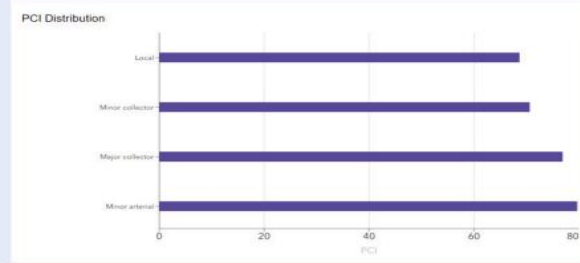
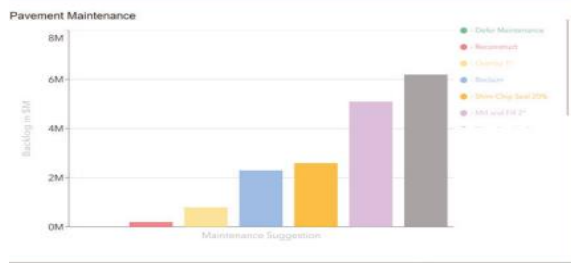
**WASTEWATER: TREATMENT
PLANT, SEWERS/COLLECTION &
PUMP STATIONS**



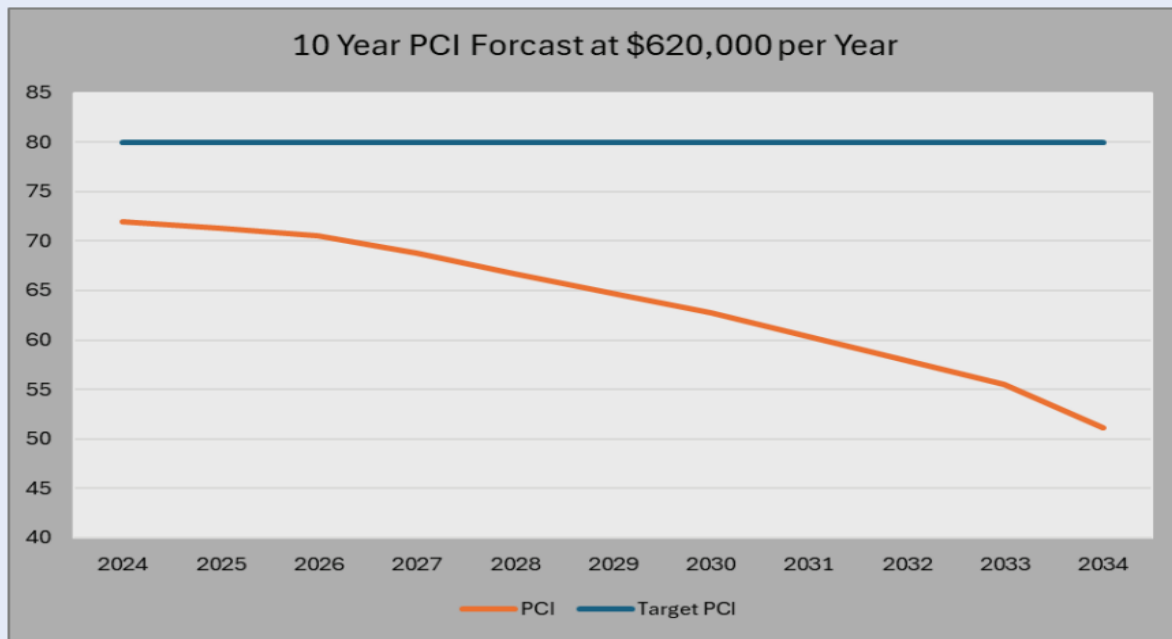
	2024 Approved Budget	2025 Proposed Budget	% Increased/ Decreased
DPW <i>Admin, O&M, Eng, Cemeteries, Facilities, Fleet</i>	\$6,396,520.	\$6,628,650.	3.5%
Solid Waste <i>Enterprise Fund</i>	\$5,380,950.	\$6,660,920.	19.2%
Water <i>Enterprise Fund</i>	\$4,689,410	\$4,904,770.	4.4%
Wastewater Enterprise <i>Fund</i>	\$8,483,400	8,792,090.	4%
Total DPW	\$24,950,280.	\$26,986,430.	7.5%

Lebanon's Road Network

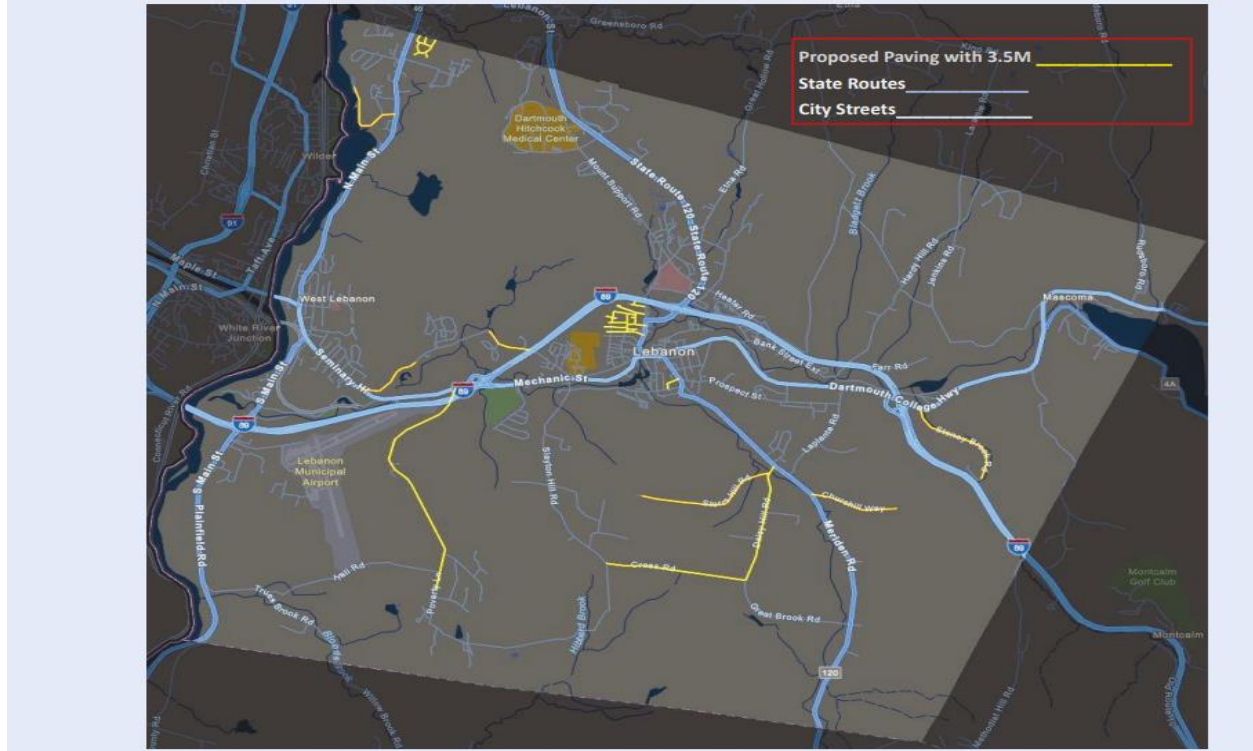
- 92 Miles of Paved Roads
- 8 Miles of Gravel Roads
- Average Pavement Condition Index: 72
- Current Backlog of \$17.2 Million



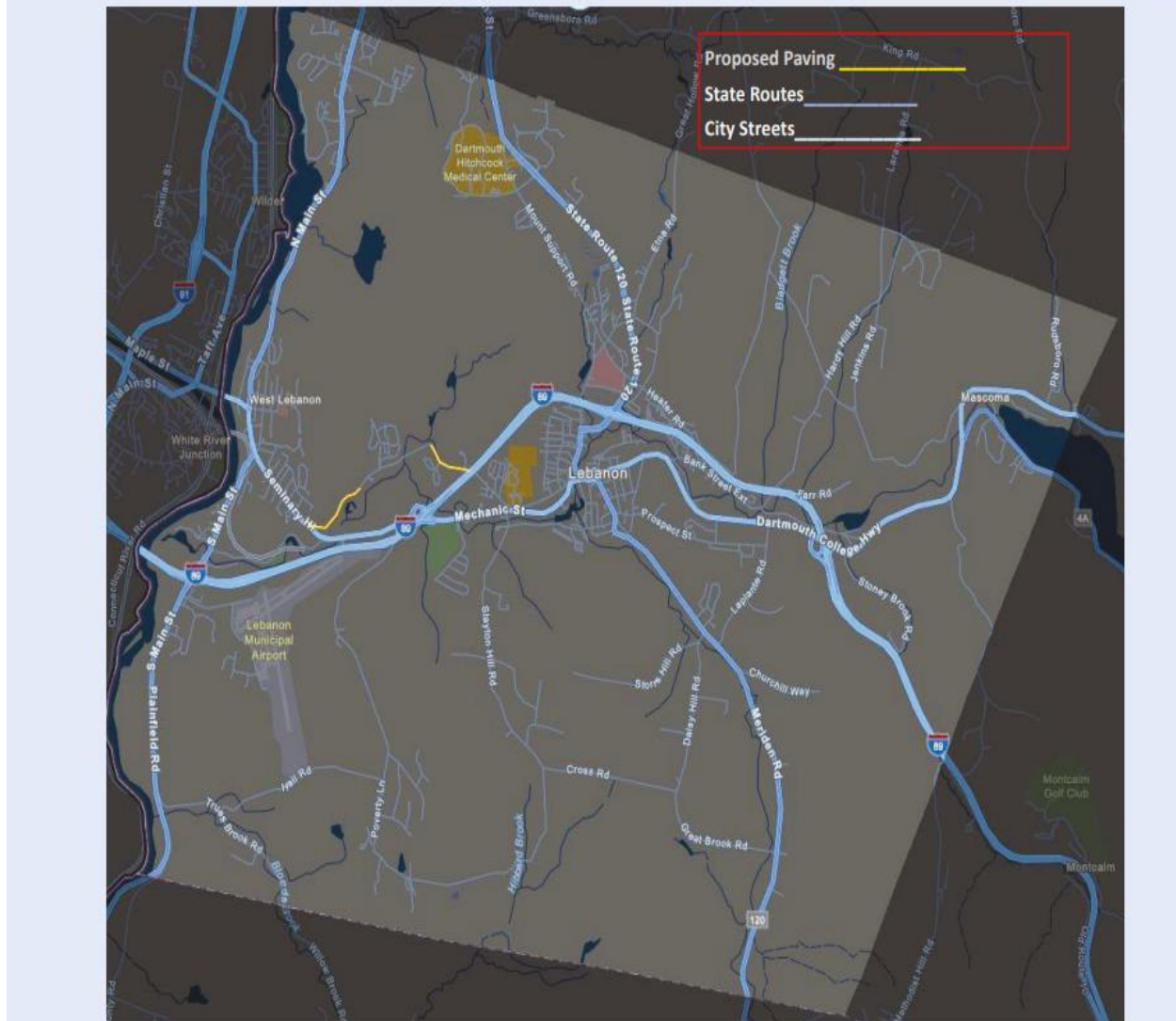
PCI Decline with Current Funding Strategy.



2025 Originally Proposed \$3.5M Paving



2025 Current Proposed \$620,000 Paving



Unfunded Work

- Proposed for \$3.5 Million
- Cost of Repair is High and Consumes Entire Budget

Road Network Valuation Materials Only

PRESENT DAY VALUE OF ROAD NETWORK						
Depth Inches)	MILEAGE:			UNIT COSTS:		
	92	Paved		Pavement	\$ 85.96 /ton	
	8	Gravel		Gavel	\$ 44.75 /ton	
PAVED ROADS						
	Material	Cost/SY	Miles	Width (ft)	SY	Cost
4	Pavement	\$ 19.34	92	24	1295360	\$ 25,053,558
12	Gravel	\$ 20.14				\$ 26,085,312
TOTAL VALUE PAVED ROADS						\$ 51,138,870
GRAVEL ROADS						
	Material	Cost/SY	Miles	Width (ft)	SY	Cost
12	Gravel	\$ 20.14	8	16	75093.3	\$ 1,512,380
TOTAL VALUE GRAVEL ROADS						\$ 1,512,380
TOTAL VALUE OF THE NETWORK						\$ 52,651,249
ANNUALIZED DEPRECIATION AT				20	YEAR LIFE	\$ 2,632,562

Road Preservation and Strategies

- Preservation: Chip Seal (20% rubber) - \$71,500 / mile. PCI 66-85
- Preservation: 1" Overlay - \$80,000 / mile. PCI 81-90
- Preservation: 1" Overlay/Chip Seal - \$146,000 / mile. PCI 66-90
- Preservation: Shim & Overlay (2" total) - \$160,000 / mile. PCI 46-65

Negative Effect on PCI with Worst Roads First Policy

- Rehab: Mill, Shim, Overlay (2" total) - \$190,000 / mile. PCI 46-65
- Rehab: Reclaim, Grade, Repave - \$400,000 / mile. PCI 36-45
- Reconstruction (Rural) - \$1,500,000-\$2,000,000 / mile. PCI 0-35

92 Miles of paved roads.
\$620,000 per year.

92 miles X \$1.5M per mile = \$130M
\$130M / \$620,000 = 222 years.

Reclaim = \$400,000 per mile.

This does not include ditches, culverts, signs or guardrails



Sidewalk Concerns

- 30 Miles of Sidewalk
- Second highest number of complaints by call volume



Engineering 2025 Budget Highlights

Attend monthly Planning Board meetings to provide answers to board members' questions regarding technical issues related to site plans and subdivisions.

Review and process Driveway Permits, Excavation Permits, Sewer Use Permits, Water Use Permits, Stormwater Permits, and Floodplain Permits.

Project Management for the construction of sixteen major projects including roadways, sidewalks, crosswalks, a multi-use path, utility infrastructure, slope stabilization, the LaHaye/Mount Support Roundabout, and the Riverdale Odor Control Facility.

Project Management and design of seventeen major projects including roundabouts, roadways, streetscapes, sidewalks, multi-use paths, bridges, utility infrastructure, and a cottage development.

In-house design of a control valve vault and septage receiving facility.



Council/Staff Discussions:

Mr. Cairelli acknowledged the hard work of the City Engineers, Brian Vincent and Rod Finley. They are responsible for all the major CPI projects. They are the project managers for the City. They also do all the planning board review and the attendance at those meetings, all the PDW permitting, and they consult with the Conservation Committee, as well as consulting with many other departments within the City.

He also recognized their own Maintenance crew, headed by Alan Hamilton , Highway Superintendent, and the many accomplishments of his team, including the line painting that was completed ahead of schedule this year, switching the color crosswalks to longer lasting paint, and the many efforts they make for Memorial Day, including sweeping and cleaning the roads, readying the City for this holiday, setting up and taking down signage for all elections, preparation for the parade on Veterans' Day, among other things.

Public Works Cemeteries



2024 Accomplishments

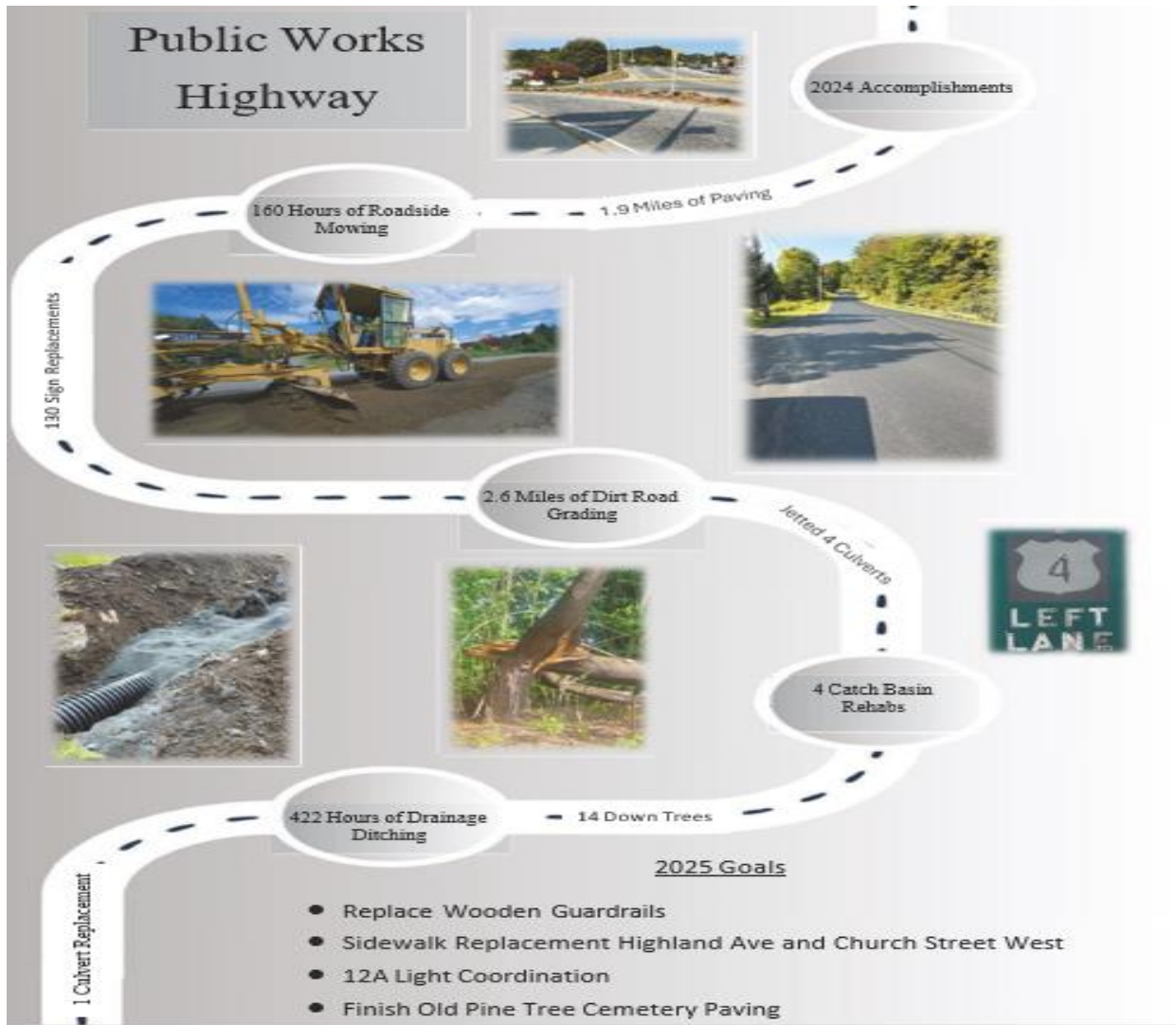
- ✿ Mowing 86 acres
- ✿ 15,000 burial sites.
- ✿ 17 Full Burials
- ✿ 35 Cremation Burials.
- ✿ Natural Burial 3
- ✿ Regular Grave Sales 3
- ✿ Columbarium Sales 5
- ✿ Transferred 3 deeds
- ✿ Monument Cleaning

2025 Goals

- ✿ Vegetation Control
- ✿ Monument Restorations
- ✿ Cemetery Expansion

See itemized costs for cemeteries on pages 17-18, Council agenda packet.

Council/Staff Discussions: NONE



See itemized costs on pages 19-23, Council agenda packet.

Council/Staff Discussions: NONE

Public Works Fleet






2024 Accomplishments

- 🚚 Work Orders – 384
- 🚚 Inspections – Over 100!
- 🚚 New 544 Loader
- 🚚 New 710 Backhoe
- 🚚 New Loader Mounted Snow Blower
- 🚚 Added Two New Garage Doors
- 🚚 New Tire Machine
- 🚚 New Drill Press
- 🚚 New Long Line Paint Gun
- 🚚 New F-150
- 🚚 Ford Factory Training
- 🚚 Emergency Equipment E-1 Training
- 🚚 Rehabbed Bucket Truck
- 🚚 Rehabbed Loader
- 🚚 Rehabbed Sidewalk Tractor

2025 Goals

- 🚚 New Equipment
 - 6-Wheeler
 - Loader
 - Sidewalk Tractor
 - Chipper
 - Hot Box

Council/Staff Discussions:

Currently there are 3 snowblowers, one assigned to Lebanon and one to West Lebanon, and the other in reserve in case one of these two breakdown. Mr. Cairelli said that ideally, they would have 5 sidewalk tractors, two for Lebanon and the other 2 for West Lebanon and a backup blower in reserve. This would allow them to maintain sidewalks, but this is not being proposed, and manpower would be an issue as well.

Mr. Brown said that using the snowblowers for sidewalks is not an option since these are much slower, and his team has time constraints as well.

Public Works Utilities



2024 Accomplishments

- ▶ **Water Service Line Identification – 80.2%**
- ▶ **Fire Hydrant Flushing – 905**
- ▶ **Fire Hydrant Replacement and Repairs- 1 Replacement, 75 repaired or painted**
- ▶ **Sewer Main Cleaning- 35,436 feet**
- ▶ **Water Breaks – 1 *Average from 10 years ago was 25***
- ▶ **Gas and Grit Inspections – 19 each quarter**
- ▶ **Grease Trap Inspections – 39 each quarter**
- ▶ **Dig Safe Automation in July - 112 Completed**
- ▶ **Water Meter Readings - 13,600**

2025 Goals

- ▶ **Continue Water Mapping**
- ▶ **Complete Water Service Line Identification**
- ▶ **Complete Staff Licensure**
- ▶ **Advance water meter transition and implement install and activation protocols**

See itemized details on pages 21-23, agenda packet.

Council/Staff Discussions: NONE

Public Works Landfill

2024 Accomplishments

-  Cardboard Recycling: 343.39 Tons
-  Scrap Metal Recycling: 347.62
-  Mixed Paper Recycling: 85.15
-  MSW for both NH & VT: 24,985.74 Tons
-  Total Bags Used: 51,751 of which 29,430 used by Lebanon Residents
-  Total Bagged Trash: 781.70 Tons of which 441.08 Tons were from Lebanon Residents
-  Punch Cards Used: 82% of Lebanon Residents; 18% Surrounding Communities
-  LFGTE: Anticipated to be online by December 2024; pad has been poured and some rigging of equipment
-  Purchased Eggersmann Z-60 Shredder
-  Purchased New Loader: John Deere 644



2025 Goals

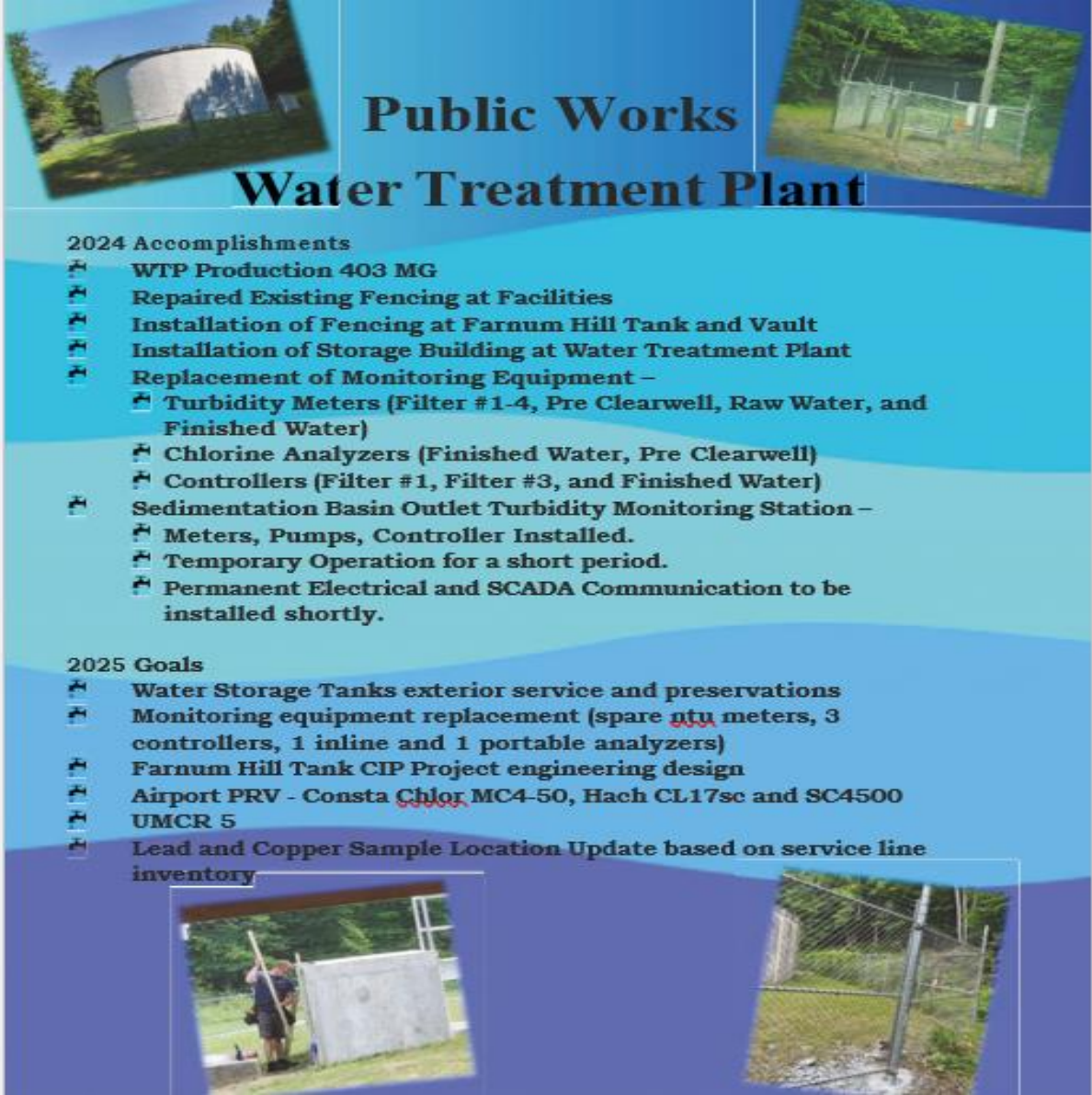
-  New Compactor with GPS
-  Concrete Crushing
-  Learn to Run and Operate Power Plant
-  Continued Planning of Landfill Cells 3A and 3B
-  Learning the operations of LFGTE



See itemized costs on pages 24-27, Council agenda packet.

Council/Staff Discussions:

While there were no questions, Mayor McNamara commented that they need to get out ahead on the topic of Landfill to the Public.



**Public Works
Water Treatment Plant**

2024 Accomplishments

- ✚ WTP Production 403 MG
- ✚ Repaired Existing Fencing at Facilities
- ✚ Installation of Fencing at Farnum Hill Tank and Vault
- ✚ Installation of Storage Building at Water Treatment Plant
- ✚ Replacement of Monitoring Equipment –
 - ✚ Turbidity Meters (Filter #1-4, Pre Clearwell, Raw Water, and Finished Water)
 - ✚ Chlorine Analyzers (Finished Water, Pre Clearwell)
 - ✚ Controllers (Filter #1, Filter #3, and Finished Water)
- ✚ Sedimentation Basin Outlet Turbidity Monitoring Station –
 - ✚ Meters, Pumps, Controller Installed.
 - ✚ Temporary Operation for a short period.
 - ✚ Permanent Electrical and SCADA Communication to be installed shortly.

2025 Goals

- ✚ Water Storage Tanks exterior service and preservations
- ✚ Monitoring equipment replacement (spare ~~ntu~~ meters, 3 controllers, 1 inline and 1 portable analyzers)
- ✚ Farnum Hill Tank CIP Project engineering design
- ✚ Airport PRV - Consta ~~Chlor~~ MC4-50, Hach CL17sc and SC4500
- ✚ UMC R 5
- ✚ Lead and Copper Sample Location Update based on service line inventory

See itemized costs on pages 28-31, Council agenda packet.

Council/Staff Discussions:

Water:

Mr. Cairelli discussed this topic during the November 6, 2024 meeting and asked for any questions. Mayor McNamara asked about the status of talks with the State and if there are any hurdles since this was first discussed, anything pertaining to permitting. Mr. Cairelli said they are waiting for a positive response from FEMA and anticipates they can move forward with permitting in 2026. Any anticipated federal funding is dependent on the new government.

Mayor McNamara asked that the Council continue to be updated on CIP as discussions for this funding progress.

Emergency situations were discussed, and the City has a plan in place with Hanover and Hartford that could help. The City has an emergency PRMV and with heavy user restrictions, the whole town could be sustained for a period of a few weeks.

Mayor McNamara said that the funding is secure for the DHMC construction with Hanover. The hospital, and State grants have been secured and will begin in 2025.



Public Works Wastewater

2024 Accomplishments

- 🔧 Installed automated front gate at the treatment plant
- 🔧 Completed bridge over contact tank
- 🔧 Completed Huber Press project
- 🔧 Constructed and Operated New Odor Control Trailer
- 🔧 Conducted Chemical dosing and pH Monitoring at 4A Pump Station
- 🔧 Installed New Security Camera at Wastewater Plant
- 🔧 Septage taken to-date (through August 2024) from Lebanon and surrounding Communities: 2.67 MG
- 🔧 Dewatered and delivered to date over 1,900 Tons of Sludge to the Landfill
- 🔧 Implemented Automatic Wasting with Solitax Solids Meters
- 🔧 Average Removal of total Suspended Solids: 99%
- 🔧 Average Removal of BOD: 98%
- 🔧 Installed New Borger Feed Pump for Huber Dewatering
- 🔧 Replaced 3 VFD's in Sludge Storage
- 🔧 Purchased New Hand Wheel Slide Gates for Mixed Liquor Control on Aeration Tank Outfall
- 🔧 Purchased New Secondary Scum Pumps to Replace Outdated Original Pumps.



2025 Goals

- 🔧 Neuros Turbo Blower VFD Replacements to ensure functionality with critical plant equipment.
- 🔧 Route 12A Pump Station refurbishing. Work will include New Perimeter Fence, freshly painted building, rebuilt Pump Can Floor and New Generator Air Louvers.
- 🔧 Sludge Grinder refurbishing due to high volume processed and wear to components.
- 🔧 Raw Sewage Pump VFD Replacements to ensure functionality of critical plant equipment.
- 🔧 Borger Pump Rebuild Kits to replace worn items from high volume pumping operations.
- 🔧 WWTP Employee Locker Room refurbishing. New Lockers, toilets, sinks, showers, flooring, and ceiling.
- 🔧 Concrete Sandblasting and Coating of the Sludge Storage Tank at the WWTP.



See itemized costs on pages 32-36, Council agenda packet.

Council/Staff Discussions:

Wastewater: The City is nowhere near running out of capacity (main interceptors) currently are not in jeopardy until the next generation, if ever. No issues with pinch point in treatment either.

The Council agreed they will calculate the cost of a \$3.5M bond, along with the associated cost. This would allow the City to complete the pavement repairs currently needed and maintain roads thereafter. Tax implications will be provided as well.

The meeting was adjourned at 6:46PM.

Respectfully submitted,
Cinda Mersel
Recording Secretary