FINAL

LEBANON CITY COUNCIL
REGULAR SESSION MINUTES
Wednesday, December 3, 2025, 7:00 p.m.
Lebanon, NH
High School Gymnasium
Remote Via Microsoft Teams: LebanonNH.gov/Live

MEMBERS PRESENT: Mayor Douglas Whittlesey, Assistant Mayor Devin Wilkie, Erling Heistad, Nicole Ford Burley, Timothy McNamara, Laurel Stavis, Christian Simon, George Sykes, and Karen Zook (arrived 7:14PM)

MEMBERS ABSENT:

STAFF PRESENT: City Manager Andrew Hosmer, Deputy City Manager David Brooks, Technical Advisor Paula Maville, Director of Public Engagement and Communications Beth Beraldi, Lead Network Infrastructure Engineer John Henault, Recreation, Arts & Parks Program Coordinator Meagan Henry, Human Resources Director Samantha Lauzon, Chief Innovation & AI Officer Melanie McDonough, Planning Administrative Assistant Crystal Taplin, Finance Director Alesia Williams

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1. **CALL TO ORDER:** Mayor Whittlesey called the meeting to order at 7:00 p.m.
   - City Manager Andrew Hosmer announced the meeting criteria for attendees.

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

3. **PUBLIC FORUM:** Mayor Whittlesey made the Public Forum announcement.
   - He announced that after the Open Council Discussion the public will be allowed 15 minutes of public comments specifically related to New Business Item G: Public Input on the proposed 2026 budget for people who cannot wait around until the end of the night.

4. **OPEN COUNCIL DISCUSSION: NONE**

5. **OPEN TO PUBLIC: No One Came Forth**

6. **RECOGNITIONS: NONE**

7. **ACCEPTANCE OF MINUTES:**
   - November 12, 2025 (Work Session)
   - November 13, 2025 (Work Session)
   - November 18, 2025 (Work Session)
   - November 19, 2025 (Regular Meeting)

Councilor Heistad MOVED* to approve *the November 12, 2025 (Work Session); the November 13, 2025 (Work Session); the November 18, 2025 (Work Session); and the November 19, 2025 (Regular Meeting) minutes as written and presented in the December 3, 2025 City Council agenda packet.
Seconded by Councilor Stavis.

The Vote on the Motion was approved (8-0). Councilor Zook was not present at the time this vote was taken.

8. APPOINTMENTS:

- Arts and Culture Commission, Jennifer Chambers (Arts Organization Representative)

Councilor N. Ford Burley MOVED to NOMINATE Jennifer Chambers as an Arts Organization Representative to the Arts and Culture Commission. **Term: 12/2025 – 12/2026**

The Vote on the nomination was approved (8-0). Councilor Zook was not present at the time this vote was taken.

- Lebanon Energy Advisory Committee, Henry Bromberg (Reappointment as Citizen Representative)

Mayor Whittlesey MOVED to NOMINATE Henry Bromberg for Reappointment as Citizen Representative to the Lebanon Energy Advisory Committee. **Term: 12/2025 – 12/2027**

The Vote on the nomination was approved (8-0). Councilor Zook was not present at the time this vote was taken.

9. PUBLIC HEARING ITEMS:

A. Acceptance of a Donation of Rutter Property, a +/-23-Acre Parcel of Conservation Land on Stevens Road, Lebanon, from the Upper Valley Land Trust (UVLT)

Included in the agenda packet: (All supportive documents and detailed information can be found on pages 59- 69, Council agenda packet)

1. Lebanon Conservation Commission, Special Meeting Minutes, May 8, 2025
2. Lebanon Conservation Commission, Meeting Minutes Excerpt, October 9, 2025
3. UVLT Presentation – Rutter – Signal Hill Property, Stevens Road

Mr. Craig Privett, UVLT, Conservation Project Manager, reviewed the background and talked about his PowerPoint presentation (included in agenda packet) regarding the Rutter-Signal Hill's 22.8 +/- Acres as a donated free gift from Sally and Jerry Rutter. His talk included the properties conservation easement; water resources; important wildlife habitat; significant ecological and scenic areas; and the benefits to the public. He also spoke about and showed the area that was identified as a Lebanon Wildlife Corridor from a 2016 report, noting the significant land protection opportunity.

BACKGROUND

Sally and Jerry Rutter are proposing to donate a +/-23-acre parcel of land (Tax Map 28, Lot 14) to the Upper Valley Land Trust (UVLT) for conservation purposes. UVLT would, in turn, like to donate ownership of the Rutter parcel to the City, while retaining a conservation easement over the property.

The Rutter parcel is located adjacent to the intersection of Stevens Road and Alden Road and is situated near the parking lot and trailhead for the Signal Hill Conservation Area. UVLT envisions that a conservation easement on the Rutter property will be similar to the easement for Signal Hill, and that the parcel will be managed similarly to Signal Hill.

On May 8, 2025, the Lebanon Conservation Commission held a public hearing to receive public input on a proposal to expend up to $21,000 from the Lebanon Open Space Trust (L.O.S.T.) Fund as a contribution to UVLT to facilitate the acquisition and permanent protection of the Rutter property. At the conclusion of the public hearing, the Commission voted unanimously to authorize the expenditure subject to the execution of a grant agreement between the City and UVLT.

On October 9, 2025, the Conservation Commission voted to recommend that the Lebanon City Council accept the proposed donation of ownership of the Rutter parcel from UVLT, subject to the conservation easement to be held by UVLT. Excerpts of minutes from both Conservation Commission meetings are attached for review.

The legal authority to acquire or dispose of real property interests ultimately rests with the City Council.

Mayor Whittlesey opened the Public Hearing.

- **Ms. Sarah Riley, Chair of Conservation Commission**, came forward and spoke about the reasons why she, and the Conservation Commission, recommends that the Council should accept this gift of a +/-23-Acre Parcel of Conservation Land on Stevens Road, Lebanon, NH. She specifically noted that the Conservation Commission has supported this project financially to cover the costs associated with the transfers of ownership, as well as the costs associated with establishing and stewarding the Conservation Easement.
- **Ms. Joan Townsend (Ward-2)**: She questioned whether or not the Upper Valley Land Trust would be paying the taxes on the property. Mayor Whittlesey stated this question would be addressed later in the meeting. Ms. Townsend also expressed her opinion on the many other conservation lands in Lebanon and the housing crisis discussions taking place.
- **Ms. Cindy Lahaye (Ward-2):** In response to her question regarding whether or not this land would be open to the public and if hunting would be allowed, Mayor Whittlesey stated this would be addressed later in the meeting.

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

Councilor Zook arrived at approximately 7:14 PM.

Council/Staff Comments:
Mayor Whittlesey addressed the following questions as follows:

1. Whether or not taxes are paid on this property if it goes to the City. Answer: No, there will not be taxes, but the land in and of itself is in current use, so the actual taxes paid on undeveloped land in current use is minimal. Deputy City Manager Brooks noted this land is currently valued, in its current use, at +/- $1,500. Mr. Privett, UVLT, added that the Upper Valley Land Trust does pay property taxes on land it owns.
2. Whether or not the land would be open to public use. Mr. Privett noted that this is often left up to the discretion of landowners, which in this case would be the City and further explained his reasoning on how this could be done.
3. Whether or not hunting would be allowed. Mr. Privett noted that this is often left up to the landowner's discretion.

Councilor McNamara noted that his understanding is this land is currently in current use and will remain in current use regardless of whether the City takes the land or if the UVLT takes the land. Mr. Privett was uncertain as to the nature of the tax implications if the City took ownership but if UVLT maintained and held onto ownership it would stay as it is currently. Council McNamara noted that there are really no tax implications because the property is presently in current use. It sounds like there is no financial implications whether the City takes it or whether UVLT has it. Jerry and Sally Rutter would like to offer this property as a gift to the City with UVLT managing the conservation easement. If the City does take ownership, we will have more latitude on what we can allow on the land. He also addressed the housing situation for this property noting that there is no water/sewer and has limited opportunities for housing on this land.

Councilor Stavis questioned if the City would be liable for accidents, once the City takes ownership. Mayor Whittlesey noted this is a legal question that we do not have an answer to. City Manager Hosmer also noted this is a question that needs follow-up.

Councilor Heistad spoke about the land on Signal Hill and noted the land in question is very wet along the stream and there would difficulties in developing housing without disturbing the entire watershed.

ACTION:
Councilor N. Ford Burley MOVED, that the Lebanon City Council hereby agrees to accept a donation from the Upper Valley Land Trust of a +/-23-acre parcel of conservation land (Tax Map 28, Lot 14) along Stevens Road, Lebanon, subject to a conservation easement to be held by the Land Trust, as presented in the December 3, 2025 City Council Agenda Packet.
Seconded by Assistant Mayor Wilkie.

Assistant Mayor Wilkie understood there are some questions and that the tax implications are minimal for having an additional asset. Whether it is in the hands of the Land Trust or the City, it is conservation property and felt it should not be considered as having the potential for development and further explained his reasoning. He also understood that there may be some concerns over liability, but it fits in with a much larger tract of (conservation) land, and it makes sense to accept this, given that this was the intention.

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

10. OLD BUSINESS

A. Presentation of Second Reading: Amendments to Ordinance #18, Salary Plan, to include implementation of a 3.0% General Wage Increase, and to retitle, reclassify, and add positions to the existing salary plan.

Included in the agenda packet: (All supportive documents and detailed information can be found on pages 70-80, Council agenda packet). NOTE: all amendments are highlighted in RED in the agenda packet.

Human Resources Director Samantha Lauzon reviewed the background and gave a broad overview of the items that have been amended in Ordinance #18, Salary Plan, since there was a comprehensive background given at the first reading.

BACKGROUND
Ordinance No. 18 formally establishes the City of Lebanon's comprehensive Salary Plan, governing non-affiliated employees, bargaining unit personnel, and designated classifications of municipal staff. It defines the organizational framework for employee compensation by establishing salary grades, pay ranges, and the classification of all official job titles within the City's workforce structure. The Salary Plan currently encompasses four collective bargaining units, each governed by Collective Bargaining Agreements effective from January 1, 2025, through December

31, 2027, including the following:

- Lebanon Professional, Administrative, and Salaried Employees (LPASE)
- Lebanon Public Works Employee's Union, American Federation of State, County and Municipal Employees, Local #1348/Council 93 AFL-CIO (AFSCME)
- Lebanon Permanent Firefighters' Association, Local 3197/International Association of Fire Fighters (LPFFA/IAFF)
- Lebanon Police Benevolent Association (LPBA)/New England Police Benevolent Association (NEPBA)

In addition, three (3) new bargaining units have been certified by the State of New Hampshire Public Employee Labor Relations Board (PELRB) and are currently engaging in negotiations for their initial Collective Bargaining Agreements. These are:

- City of Lebanon (Department Heads)
  State of New Hampshire – Public Employee Labor Relations
  Board Case No. G-0346-1, Decision No. 2025-155
- City of Lebanon (City Assistants, Deputies, and Others)
  State of New Hampshire – Public Employee Labor Relations
  Board Case No. G-0343-2, Decision No. 2025-251
- City of Lebanon (Various City Employees)
  State of New Hampshire – Public Employee Labor Relations
  Board Case No. G-0345-1, Decision No. 2025-157

Under the City Council/City Manager form of government, the City Manager is responsible for administering the affairs of the City, including maintenance of the City's Salary Plan and negotiation of Labor Agreements with all collective bargaining units.

Under Ordinance No. 18, compensation for exempt (salaried) and non-exempt (hourly) employees is defined by a system of steps or by minimum and maximum grade ranges—expressed as hourly rates for non-exempt employees and weekly rates for exempt employees.

Progression within these ranges is achieved through annual General Wage Increases and performance-based merit adjustments ranging from one (1) to three (3) percent, or through automatic step increases. The granting of merit or step adjustments is subject to the terms and conditions outlined in the Non-Bargaining Employee Handbook (for non-affiliated employees), or the applicable Collective Bargaining Agreement. Step or merit-based adjustments only occur provided the employee has not reached their top step or the maximum of their salary range.

To ensure the Salary Plan remains equitable and competitive with the external labor market, the City's Salary Plan must be kept current. This is achieved by regularly adjusting compensation ranges through General Wage Increases and by systematically reviewing positions with both external labor market comparisons and internal equity among positions.

The City's standard practice for determining General Wage Increases is to apply the percentage change in the Northeast Region Consumer Price Index (CPI) for June, measured over the preceding twelve months. This adjustment typically includes a minimum increase of one percent (1%) and a maximum increase of three percent (3%) and applies equally to non-affiliated employees and members of the City's collective bargaining units.

Council/Staff Comments:
Councilor Sykes requested that the employee turnaround rate information be given to the Council before the third reading of Ordinance #18, which will take place on December 17, 2025, so it can be compared with other communities in order to give us incite on how we are doing. Director Lauzon noted our turnover rate right now is +/-10% (for 2025). She has been in contact with other municipalities on what their turnover rates are but has not heard back from them yet. She will try to have this information available at the next meeting.

ACTION:
The City Council was asked to take action to amend Ordinance No. 18, as follows:

1. ACKNOWLEDGE SECOND PRESENTATION:
Assistant Mayor Wilkie MOVED, that the Lebanon City Council hereby acknowledges the second of three presentations to amend Ordinance #18, Salary Plan, as fully described and contained in the December 3, 2025, City Council Agenda Packet.
Seconded by Councilor Heistad.

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

11. NEW BUSINESS

A. Request from 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 in 2026

Included in the agenda packet: (All supportive documents and detailed information can be found on pages 81-85, Council agenda packet)
1. November 17, 2025 email and map from Operations Manager Brian Cook, Lebanon Opera House

Deputy City Manager Brooks reviewed the history and background behind this request from the Lebanon Opera House.

BACKGROUND
Lebanon Opera House (LOH) was requesting the City Council grant an alcohol exemption to provide them with the ability to serve alcoholic beverages on certain City property and within City Hall during LOH events and performances. City property outside of City Hall to be included in this request are the alley between City Hall and the neighboring building located at 55 North Park Street (Dutille's Jewelry building), the back parking lot behind City Hall, the sidewalk in front of City Hall, and all other areas immediately surrounding the building. The request is from January 1, 2026, through December 31, 2026.

Please see email from Lebanon Opera House Operations Manager, Brian Cook included in the agenda packet.

City Administration has no objection to any of the above.

City Code Chapter 14, Alcoholic Beverages, §14-5, Exemption states that, "Any person, publicly recognized organization, organized group, family group or business may be exempted from the provisions of this article for a short period of time not exceeding 12 hours, upon first obtaining permission from the City Manager after consultation with and approval by the Chief of Police.
For a period of time exceeding 12 hours but not exceeding one year, permission must first be obtained

from the Lebanon City Council and reviewed on an annual basis." Due to the nature of the business and the desire to continue to serve alcohol on City-owned property, Council approval is required pursuant to §14-5 above.

Council/Staff Comments:
In response to Councilor Stavis' question regarding how this request would interact with the proposed Social District, Deputy City Manager Brooks was uncertain if they would directly conflict or have an impact. This would depend on where a Social District is created, but the Social District regulates both the location, the containers that are used (in that District), and where people can get an alcoholic beverage to take it outside and walk around. If City Hall is part of a Social District, and it includes the pedestrian mall, for example, then perhaps someone can take their beverage over to the Social District.

City Manager Hosmer also noted that Social Districts are intended to be outside. This request is for within City Hall.

ACTION:
Councilor McNamara MOVED, that the Lebanon City Council hereby grants an exemption pursuant to §14-5 of City Code Chapter 14, Alcoholic Beverages, to Lebanon Opera House to serve alcoholic beverages during LOH events and performances in areas as described in the December 3, 2025 City Council Agenda Packet. Exemption shall be valid beginning January 1, 2026 and shall expire on December 31, 2026.
Seconded by N. Ford Burley.

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

B. Request from Lebanon Outing Club for an Exemption (per §14-5) of City Code Chapter 14, Alcoholic Beverages, to permit the serving of alcoholic beverages on City property in 2026

Included in the agenda packet: (All supportive documents and detailed information can be found on pages 86-88, Council agenda packet)

1. November 13, 2025 email from Lebanon Outing Club President, Cory Grant
2. Map of requested areas

Deputy City Manager reviewed the background, noting this is similar to last year.

BACKGROUND
The Lebanon Outing Club (LOC) was requesting an exemption from City Code Chapter 14, Alcoholic Beverages, to allow them to serve alcohol on city-owned property at Storrs Hill Ski Lodge and immediate surrounding areas. Please see the email from Lebanon Outing Club President Cory Grant as presented in the agenda packet.

City Administration has no objection to the request.

City Code Chapter 14, Alcoholic Beverages, §14-5, Exemption, states that, "Any person, publicly recognized organization, organized group, family group or business may be exempted from the provisions of this article for a short period of time not exceeding 12 hours, upon first obtaining permission from the City Manager after consultation with and approval by the Chief of Police. For a period of time exceeding

12 hours but not exceeding one year, permission must first be obtained from the Lebanon City Council and reviewed on an annual basis.” Whereas the current request is for the alcohol exemption/permit to cover a one-year period, Council approval is required pursuant to §14-5 above.

Council/Staff Comments: NONE

ACTION:
***Councilor Stavis MOVED*, that the Lebanon City Council hereby grants an exemption pursuant to §14-5 of City Code Chapter 14, Alcoholic Beverages, to Lebanon Outing Club to serve alcoholic beverages on City-owned property at Storrs Hill Ski Lodge and immediate surrounding areas as described in the December 3, 2025 City Council Agenda Packet. Exemption shall be valid beginning January 1, 2026 and shall expire on December 31, 2026.**
Seconded by Councilor Simon.

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

C. Presentation of 2024 Financial Audit Report

Included in the agenda packet: (The complete 113-page Audit Report(s), along with other detailed information, can be found on pages 89-201, Council agenda packet)

1. November 19, 2025 Letter to City Council from Plodzik & Sanderson, P.A.
2. City of Lebanon Annual Financial Report – Fiscal Year Ending December 31, 2024
3. Lebanon Municipal Airport, Passenger Facility Charges Report – Fiscal Year Ending December 31, 2024

Mr. Kyle Gingras of Plodzik & Sanderson was present and reviewed/discussed the 2024 Financial Audit and answered questions from the Council. He started with his letter, dated November 19, 2025 (located on page 90, Council agenda packet) which outlined their responsibility for the Financial Statements, performance of the audit, significant risks that they identified, and then adjust through the audit. We did have one comment on the City for an opportunity for improvement related to Capital Projects. They wanted to make sure that spreadsheets are reconciled periodically, which helps them significantly when going through the audit since Capital Projects are reported in multiple funds. He also spoke about the new standards in the GASB, which are accounting standards that will change in upcoming accounting factors. They also added a comment on Cyber Security Policies & Procedures, although they did not identify any specific risks or issues with the City itself, noting they include this comment for all of our audit clients because we have seen an uptick in cyber security issues among a number of governments entities. We wanted everyone to be aware that this is an ongoing issue, be vigilant, and stay up to date on risk assessment policies, training for employees, etc.

Mr. Gingras walked the Council through the Annual Financial Report on pages 94-113; the Basic Financial Statements and Exhibits, pages 114-127, the Notes to the Basic Financial Statements, pages 128-164; the Required Supplementary Information and Exhibits and Notes, pages 154-172; Combining and Individual Fund Schedules, pages 173-180; and The Report On Compliance For Each Major Federal Program and Internal Control Over Compliance Required by The Uniform Guidance, pages 181-193, the Corrective Action Plan (as of December 31, 2024), pages 193-194; and the Lebanon Municipal Airport Passenger Facility Charges Report as of Fiscal Year Ending on December 31, 2024, pages 195-201. (Please note the Summary of Auditor’s Results can be found on pages 186-191, Council agenda packet.)

Council/Staff Comments:

Mr. Gringas confirmed with Mayor Whittlesey that the recommendations (listed below and listed on page 188, Council agenda packet) should be completed and explained how this could be done.

Recommendation: We recommend that the City establish and consistently apply a formalized process to verify and document the suspension and debarment status of all vendors, consultants, and contractors paid with federal funds. The process should include:

- Performing verification through SAM.gov prior to contract execution;
- Obtaining a signed certification from the vendor; or
- Including an appropriate clause within the contract addressing suspension and debarment status.

Additionally, the City should maintain documentation of verification in procurement files to demonstrate compliance during audits and monitoring visits. The City should also ensure that reliance on NHDOT approvals does not replace its own verification responsibilities under federal requirements.

Views of Responsible Officials: Management's views and corrective action plan is included at the end of this report.

ACTION: ***No action was required by the Council. This item is for informational purposes only.***

D. Discussion & Set Public Hearing for January 7, 2026: Ordinance #2025-14, Amendments to City Code Chapter 8, Airport Operations, to Amend Fuel Flowage Fees

Included in the agenda packet: (All supportive documents and detailed information can be found on pages 202-208, Council agenda packet)

1. Proposed Ordinance #2025-14
2. City Code Chapter 8 - Airport Operations
3. Exhibit #1 - Fee Schedule, from Lebanon Airport Rules and *Regulations*

Not Included, But Also Available:

1. City of Lebanon. New Hampshire. Lebanon Municipal Airport, Rules and Regulations for the Operation of the Airport, Adopted September 1, 1993, Amended December 13, 2023.

City Manager Hosmer reviewed the background and noted that on January 7, 2026 we will have more details as to what the suggested rate might be for net reviews at the Airport.

BACKGROUND

In recent years, the City Council has regularly updated the Aircraft Landing Fees documented within the Airport Rules and Regulations as part of an ongoing effort to try to make the Lebanon Airport a more self-sustaining operation. Most recently, on October 15, 2025, the City Council adopted Ordinance #2025-09 to establish new landing fees to be effective beginning January 1, 2026.

However, other fees associated with airport use and operations have not been regularly updated. For example, it does not appear that the Fuel Flowage Fees outlined in the Airport Rules and Regulations have been updated since at least 2019, when they were incorporated into the Fee Schedule (Exhibit 1) of the Rules and Regulations. Under the existing fee schedule, the City receives $0.08 per net gallon of all fuel delivered to the Fixed Base Operator (Granite Air) and from all other self-fueling activities occurring at the airport.

The City Manager recommends that the City Council consider increasing the Fuel Flowage Fees to account for inflation and other cost increases associated with overall airport operations.

ACTION:
Councilor McNamara MOVED, that the Lebanon City Council hereby schedules a public hearing for Wednesday, January 7, 2026, beginning at 7:00 pm in Council Chambers, City Hall, and Remote via City's Virtual Platform, for the purpose of receiving public input and taking action on proposed Ordinance #2025-14 to amend City Code Chapter 8, Airport Operations, Section 8.4, Airport Rules and Regulations, to amend the Airport Fuel Flowage Fees set forth in Exhibit 1, Fee Schedule, of the Rules and Regulations.
Seconded by Councilor Simon.

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

E. Discussion & Set Public Hearing for December 18, 2025: Consideration of City Clerk's Certification of Sufficiency for Citizens Binding Initiative Seeking to Establish a Finance Advisory Committee

Included in the agenda packet: (All supportive documents and detailed information can be found on pages 209-217, Council agenda packet)

1. Final Language of Citizens Binding Initiative Petition question and brief explanation
2. November 25, 2025 City Clerk Certification of Petition Sufficiency
3. Proposed Ordinance #2025-15
4. City Charter Section 7.01 - Citizen Binding Initiative
5. City Code Chapter 89 - Initiative Petitions

Deputy City Manager Brooks reviewed the background behind this request to establish a Finance Advisory Committee.

BACKGROUND
On October 2, 2025, the City received a Citizens Binding Initiative Petition in accordance with Section 7.01 of the City Charter from Petition Committee Chairperson Lori Key. The Citizens Binding Initiative Petition seeks to amend City Code Chapter 31, Boards, Committees and Commissions, to establish a Finance Advisory Committee.

On November 25, 2025, in accordance with City Code §89-8.A, City Clerk Jaseya Ewing verified that the requisite number of signatures of registered voters had been obtained on the petition and certified the petition as sufficient to comply with the provisions of City Charter §7.01. Pursuant to City Code §89-10.A, the City Clerk shall cause the initiative petition to be placed on the agenda for a City Council meeting to be held within 14 days of the Clerk's certification. Upon receiving the City Clerk's certification of the petition, the City Council must schedule a public hearing to be held within 20 days from the date of receipt of the certification [§89-10.B].

If, following the public hearing, the City Council decides to pass the Citizens Binding Initiative Petition without alteration, such action will have the effect of adopting Ordinance #2025-15, as proposed and included in this agenda packet.

If, following the public hearing, the City Council decides not to pass the Citizens Binding Initiative Petition, or decides to pass the initiative petition but with substantive alterations, or takes no action whatsoever, then the City Council shall cause the original certified Binding Initiative petition question and the brief explanation or synopsis to be placed on the ballot at the next municipal election on March 10, 2026 [§89-11].

ACTION:
Councilor McNamara MOVED, that the Lebanon City Council hereby schedules a public hearing for Thursday, December 18, 2025, beginning at 6:00 pm in Council Chambers, City Hall, and Remote via City's Virtual Platform, for the purpose of receiving public input and taking action to decide whether to pass, with or without alteration, the Citizens Binding Initiative Petition seeking to amend City Code Chapter 31, Boards, Committees and Commissions, to establish a Finance Advisory Committee, as reflected in proposed Ordinance #2025-15, as presented in the December 3, 2025 City Council Agenda Packet.
Seconded by Councilor N. Ford Burley

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

Mayor Whittlesey wanted to be clear that on Wednesday December 17, 2025, at the Lebanon High School there will be a full Budget Hearing. On Thursday, December 18th, 2025, there will be a Special Council Meeting on the Binding Initiative in Council Chambers starting at 6PM.

F. Discussion of Placing a Question of Whether to Prohibit the Operation of Keno Games on the March 10, 2026 Municipal Ballot

Included in the agenda packet: (All supportive documents and detailed information can be found on pages 218-224, Council agenda packet)

1. NH RSA 284:41 – 284:51-a, *et. seq.*

Deputy City Manager Brooks reviewed the background on this item as listed above.

BACKGROUND
On July 1, 2017, state legislation went into effect authorizing municipalities to allow (opt in) the operation of keno games in their community by placing the question on the town warrant or municipal ballot. Under the 2017 legislation, keno was only permitted to be operated in communities that had explicitly voted to allow it.

Subsequent to the enactment of the 2017 legislation, the City Council held multiple discussions to decide whether or not to place the question of allowing the operation of keno games in the City, including on January 3, 2018, February 6, 2019, and January 8, 2020. Following each such discussion, the City Council voted not to place the question onto the municipal ballot for voter consideration. In other words, not to opt in.

In 2025, new state legislation (Laws of 2025, Chapter 288 – House Bill 737) took effect, which amended or repealed and reenacted portions of RSA 284:41 - 284:51-a, *et. seq.*, which address Keno games. Under the 2025 legislation, keno games will be permitted in every municipality as of July 1, 2027, unless a municipality votes to explicitly prohibit (opt out) such games. Keno will now be allowed in every community except those that explicitly "opt out."

If the City wishes to prohibit ("opt out") of the operation of keno games, the City Council must vote to place the question on the official ballot for any regular municipal election, or, in the alterative, shall place the question on the official ballot for any regular municipal election upon submission to the legislative body of a petition signed by 5 percent of the registered voters. If placed on the official ballot, the City Council shall hold a public hearing on the question at least 15 days, but not more than 30 days, before the question is to be voted on.

This is setting the stage for discussion, which is similar to the Social Districts we talked about at the last meeting. Both of these questions we expect to bring back to the Council for further discussion and the formal question of whether to put the question on the ballot. Each of these options has a requirement for a statutory public hearing: it has to be within 15 days but not more than 30 days before the vote. The public hearing would need to be on the second (2^{nd}) meeting in February. Both of these questions will be brought back to the Council at the January 21, 2026 meeting.

No action is needed for tonight's meeting.

Council/Staff Comments:
Councilor McNamara spoke about the history of Keno in Lebanon, noting that since that time things have changed dramatically, and we now have a major casino. Since the atmosphere has changed, he felt a vigorous discussion should take place because there are some entities, like the Elks and the Legion Clubs, that could potentially benefit from this.

Assistant Mayor Wilkie was in favor of continuing this discussion and placing this on the ballot allowing the public to weigh in.

Councilor Stavis was in favor of continuing this discussion. She noted she would gather more information for the Council on all the pending bills in the NH Legislature that affect Keno and what is called historic horse racing. There are many bills pending regarding historic horse racing, and it is a very changing environment at the State level.

Councilor Sykes expressed his concerns about the cost/benefits to the City and requested that City staff provide this information.

Mayor Whittlesey spoke about his reasons why he felt this should be sent to the voters to choose what they would like to do.

Councilors McNamara and Stavis both felt that the question, itself, should be educational and presented in a way that is clear, so the public understands the pros/cons associated with it, such as the "opt-in" and "opt-out" issue, which is confusing noting that this is sometimes the purpose of these pieces of legislation that change often to "opt-out" from "opt-in" and is intended to muddy the waters.

Councilor Heistad felt this should go before the voters.

ACTION: No Action taken at tonight's meeting. Will be coming back to the Council for further review in the near future.

G. Public Input on Proposed 2026 Municipal Budget

Included in the agenda packet: (All supportive documents and detailed information can be found on page 225, Council agenda packet)

Information available but not included herein:
2026 Proposed City of Lebanon Budget

Mayor Whittlesey noted there were budget workshops throughout November. Tonight, we are just soliciting input from the public and will not be taking any action or making changes at this meeting. He announced this item's criteria for public input, noting that if there are questions, he and Assistant Mayor Wilkie will write them down and make sure they are addressed tonight. The full Public Hearing on the budget will be on December 17, 2025.

BACKGROUND
The public was invited to provide input to the City Council and members of the City staff on the proposed 2026 Municipal Budget.

Mayor Whittlesey opened up discussions from the public, and the following came forth to give their comments:

- **Jay Simms, Ward 2**: He spoke about high assessments and property tax increases. The people he has been talking to were looking for 0% increases. He went through his data for the 2024 audit. He also noted that any personnel issues need to be scrutinized carefully, especially with the new Collective Bargaining Units and the costs associated with these. He gave examples of potential cost increases.
- **Linda Barton, Ward 1**: She supported Mr. Simms' comments, noting she is a senior citizen and commenting on the increases that have occurred, not just in Lebanon, but globally and within the United States. Seniors are on limited incomes and was concerned that so many people felt they have to leave the community of West Lebanon. She urged the Council to hold the tax increase to 0%.
- **Eric Streit, Ward 2**: He spoke about how residents showed up in mass last year when there were heavy proposed tax increases. The public gave resounding feedback that residents cannot afford tax increases and proposed that tax rates be lowered. While the City did bring tax rates down some, he felt betrayed now and spoke about his concerns over the reappraisal of homes. He pleaded with Department Heads to be creative and lower their budgets and gave examples.
- **Nancy Sansevere, Ward 3**: She looked at her notes from last year and questioned where the City's accountability and sustainability of this budget was. She also spoke about her reasons why she felt the accountability of this Council has been lost and wanted to understand where the accountability is with this Council, noting the conversation is the same year after year.
- **Joan Townsend, Ward 2**: She spoke about how Lebanon's residents have been working together to help each other, noting this is a very humbling experience. She knows the City can find more revenue and can find some loopholes to help people stay in Lebanon, but they need to be able to afford to stay and gave her reasonings. She also spoke about how Lebanon needs more affordable housing, but she has seen nothing come across except huge apartments, which is not what we need. We need single family homes. She encouraged the Council to try and represent the residents of Lebanon.
- **Mary Davis, Ward 2**: She spoke about her age (76) and noted that last year her tax bill was $10K and this year it is $12K. She is now back to work 4 days/week just to stay in her home and asked the Council for their help because she was uncertain where she would be in the future.
- **Ralph Akins, Ward 2:** He noted that one of the basic responsibilities of the Council is fiscal responsibility. When the Council is doing a budget, they need to avoid any kind of a spike in the budget, which has always happened with this City Council. When there is a difficult economy where people cannot afford to live in the City, you (Council) should be looking for ways to cut your spending and fulfill your needs without overspending and talked about his reasonings.

- **Paul Roberts, Ward 2**: He spoke about how a Budget Summary Sheet would be helpful to the public for the sake of transparency, rather than having to go through 100 pages to get the answers they are looking for. Clarity would help out a lot with the anxiety people are feeling about the City. He requested the cost of the reclassification (of employees) and how much that is costing the taxpayer. The first question the Council should ask is: What is this costing the taxpayer?
- **Patrick Perry, Ward 1:** He is a recent resident in Lebanon and noted that in < 24 months his tax burden in the City of Lebanon has increased by over 28%. He spoke about the disparities between Commercial properties (assessments rose by 17%) vs. Residential properties (assessments rose to 40%) and an increase of more than 90% for manufacturers homes in the area. He noted that Lebanon has some of the largest corporations in the world (Walmart/Target/Home Depot/ Novo Nordisk). In an economy where corporate profits are excelling, why should the Lebanon taxpayer subsidize their infrastructure? He was eager to hear this Council's plan to keep our tax increase for 2026 at 0%.
- **Matt Smith, Ward 2**: He spoke about the history of the Dana House and urged the Council to restore the minimal funding required to keep the power on and the dehumidifiers running so that the Dana House does not deteriorate further while the City and School District explore their options.
- **Cindy Lahaye, Ward 2**: She was extremely disappointed when she got her tax bill, noting that her husband's family has lived in Lebanon for over 6 generations. You (the Council) have been pricing everybody out of this City and spoke about her reasons why she felt this needs to stop (i.e., pay raises for employees; the number/levels of upper management employees, etc.).
- **Princess Goldie, Ward 2:** She spoke about how her family has lived in Lebanon for generations. She is 40 years old, college educated, has four sources of W-2 income and lives in a multigenerational home just so that everyone can be comfortable and pay the tax bill. She reminded the public that there are five (5) Council seats that will be on the ballot in March, noting the City Council should be working for the population.
- **Dexter Adalla, Ward 1**: He spoke about his career in healthcare and noticed there is a shortage in housing and spoke about his concerns about how expensive housing and apartments are.
- **Eileen Fitzpatrick, Ward 2 (remote):** She questioned the timing of tax bills and would like to see them come out quarterly rather than 2x's each year, noting these are very hard times for people on fixed incomes.

Hearing no further comments from the public, the public session was closed

Council/Staff Comments:

Mayor Whittlesey welcomed the public's comments and noted that when comments are made through Boards/Committees comment page, it does get sent to the entire City Council. We do get them and read them. He also noted there are a couple points that he wanted to address:

1. Transparency: We are always looking for ways to simplify this and tried something a little different this year. In some ways it feels like it is working and in other ways it is not quite providing what people are looking for. Certainly, if there is a specific summary of tables that you are looking for, please let us know and we will provide the information you are looking for.
2. Reappraisal: He knows this is a painful point for everyone. None of his comments made here are meant to take away the hurt that people are feeling, but wanted to explain the process as listed below:
    - City had the revaluation triggered by State Statute because the sales of houses in the City were exceeding our assessed value well beyond the margin that the State allows. Essentially it was about 76% of what houses were selling for on average. The State

obligates us to do that appraisal. Revaluations are (State mandated) every five (5) years or if you are outside of the appraisal band.

- This is not something the City elects to do; it is something we are required to do.
- Within that appraisal process, there are three (3) revaluation methods: The sales method, income method, and the replacement value method. The State has their opinions on which one we can use for which property types. In his perspective, it has shifted the burden of taxes onto the residential market because of the increased demand of housing in this area.

Mayor Whittlesey spoke for himself noting he does not like this more than anyone else does. He would love to assess at different rates for residential vs. commercial/industrial to equalize across reappraisals, but we (Lebanon) are not allowed to do that. We are not allowed to do any other method, or consider any other methods, and the State, in fact, reviews the methods that are used to ensure those methods agree with the State's requirements. He also noted that the Council will be looking into the reappraisal process to see if we can get some advice from the State or other methodologies for things we can do to mitigate the pain that people are feeling right now. This is the same pain people were feeling back in 2022. Despite an 8% budget increase from last year to this year, people are facing 20% higher residential tax bills. He wanted to be clear that while the budget could have been set at 0% year over year, your taxes would still have gone up because the amount you have to pay is due to the reappraisal process. Once again, to be clear, this reappraisal process is mandated by the State and will trigger tax changes regardless of what the City Council does.

Mayor Whittlesey also noted that up until 2023/2024, the City's average rate of tax increase was about 3.5% year over year for close to 10 years. It has been a little under 8% the past two (2) years. Whether you agree with this or not, this is part of why we were pushing the City Manager for a lower budget.

3. Housing issues: We always do look at those ratios every year through our pattern of Zoning Amendments to try and allow for greater development. We focus more on infill because that has a lower cost of service for development (i.e., increased demand for service such as roads, etc.).

Assistant Mayor Wilkie noted he agreed with the frustration about how dwellings are not being built, noting there are limited mechanisms by which the Council can control this, especially for many of these apartment complexes that are going up. The Council does not approve them and often does not see them at all unless there is some sort of variance or exception that is needed, or developers are asking for something from the City. In many cases, this is what private developers have determined is the most profitable for them. We have been trying to find ways to shift the policies, incentives, and the opportunities that we have to make it more appealing for developers to build single family homes and further explained his reasoning.

Councilor N. Ford Burley thanked everyone for coming and sharing their experiences. Very often a budget is numbers on a page, and it is always very important to hear lived experiences and the reality on the ground. She gasped when she received her property tax bill this year, and unfortunately a lot of this is coming from other sources that we do not have a lot of power over.

Assistant Mayor Wilkie highlighted a few of the questions that came up as follows:

- Why taxes are paid twice @ year rather than quarterly: He was sure there would be additional costs in sending and collecting property taxes, including more staff time. There might be an answer to that at the public hearing.
- Unassigned Fund Balance: This has been discussed previously but perhaps at the Public Hearing on December 17th, 2025, it would be good to get a review of where the City stands right now and where we plan to be at the end of the fiscal year 2026 for the proposed budget. Finance Director Williams was asked to provide an update of the chart that was shown at the beginning of the Budget Workshops that had the annual spend down of the Unassigned Fund Balance and update it for the audited final numbers (i.e., here is what is was in 2024 and here is what it will be at the end of 2026).
- Cost of reclassification (employee positions): Human Resources Director Lauzon noted she does not have the reclassification position in front of her tonight noting that most of the positions being reclassified are in the Enterprise Funds, so they have a limited impact on the tax rate and on the General Fund. The Council requested she split out those numbers, so we know what is specifically affecting the tax rate.
- Levels of Management: This information is publicly available on the Organization Charts for each Department that can be found online on the City's Website.
- Accountability to the City's Taxpayers: We have elections every year.
- Dana House: Request for funds to just keep the structure from deteriorating.

Councilor Stavis added that she was struck by the question: Where's the balance between what the Council does/does not controls vs. the taxpayers and spoke about what is in the City's/State's/Federal Government's control. We need to strike a better balance on what the City can control vs. all things that are outside of our control. In that balance, perhaps we could find a better measure of accountability that would make the residents feel that the Council was working harder on this (budget) than they think we are.

ACTION: ***No action is required by the Council. This item is for informational purposes only.***

12. City Manager Report: NONE

13. NON-PUBLIC SESSION: NONE

14. ADJOURNMENT:

Councilor Heistad MOVED for adjournment.
Seconded by Councilor Stavis.

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

The meeting was adjourned at 8:59 PM.

Respectfully submitted,
Dona E. Gibson
Recording Secretary