

FINAL

LEBANON CITY COUNCIL

Regular Meeting

City Hall – Council Chambers

Wednesday, May 15, 2019

7:00 P.M.

MEMBERS PRESENT	Mayor Timothy McNamara, Assistant Mayor Clifton Below, Councilors Bruce Bronner, Erling Heistad, Karen Liot Hill, Suzanne Prentiss, Shane Smith, Jim Winny and Karen Zook
MEMBERS ABSENT	None
STAFF PRESENT	Shaun Mulholland (City Manager), Paula Maville (Deputy City Manager), James Donison (Director DPW), Vicki Lee (Deputy Finance Director), Tad Montgomery (Energy and Facilities Manager), David Brooks (Planning & Zoning Director), Shelly Hadfield (City Consultant)
GUESTS	Dave Fox (Raftelis), Dan Weeks, Steve Dzubak and Kimberly Quirk (Revision)

Mayor McNamara called the meeting to order at 6:58 PM.

- 1. PLEDGE OF ALLEGIANCE:** Councilor Winny led the Council in the Pledge.
- 2. PUBLIC FORUM:** Mayor McNamara made the Public Forum announcement.
- 3. OPEN TO PUBLIC:** No comments were put forth by the public.
- 4. RESOLUTIONS:** None
- 5. ACCEPTANCE OF MINUTES**

- **March 20, 2019 (Regular Session)**

Assistant Mayor Below MOVED to approve the March 20, 2019 Minutes as presented in the May 15, 2019 agenda packet, with amendments.

Amendments: Page 1, Line 31 Remove ‘reviewed’ and Add ‘revised.’ Page 3 Line 16 Remove ‘Below’ and Add ‘Winny’. Page 3 Line 28 Remove ‘Below’ and Add ‘Heistad’.

Seconded by Councilor Prentiss.

**The vote on the MOTION passed unanimously (9-0).*

- **April 23, 2019 (Work Session)**

Councilor Hill MOVED to approve the April 23, 2019 Minutes as presented in the May 15, 2019 agenda packet, with amendments.

Amendments: Page 6 Line 19 Remove ‘?stricter’ and Add ‘Stretch’.

Seconded by Councilor Bronner.

**The vote on the MOTION passed unanimously (9-0).*

- **April 25, 2019 (Work Session)**

Councilor Prentiss MOVED to approve the April 25, 2019 Minutes as presented in the May 15, 2019 agenda packet.

Seconded by Councilor Winny.

***The vote on the MOTION passed unanimously (9-0).**

- **May 1, 2019 (Regular Session)**

Councilor Winny MOVED to approve the May 1, 2019 Minutes as presented in the May 15, 2019 agenda packet.

Seconded by Councilor Heistad.

***The vote on the MOTION passed unanimously (9-0).**

6. APPOINTMENTS

The Mayor announced the following appointments.

- Fair Hearings Officer - Patrick Hayes: Reappointment as Fair Hearings Officer for a three-year term (5/19- 5/22).
- Trustee of Trust Funds - John Jay Hutchins: Reappointment as Trustee of Trust Funds for a three-year term (05/19-05/22).

7. PUBLIC HEARING ITEMS

A. ORDINANCE #2019-06 TO AMEND CITY CODE CHAPTER 68

Public Hearing for the purpose of receiving public input and taking action to amend City Code Chapter 68, Fees, §68-15, Enumeration of Fees to incorporate a new fee structure for water and sewer service rates. (PH Set on 5/1/19)

Jim Donison and Dave Fox from Raftelis presented. Two public hearings have been held and this matter has been studied for the last 9 months. The Council determined the final option. There will be an increase of water fees, effective January 1 and a structure change to fixed charges and usage charges. Single family residences will likely see a reduction in overall charges. Multi-family residences that share one meter and industrial sites will see an increase.

Mayor McNamara opened the Public Hearing.

John Andrews, Ward 3, President of Wolf Run Condominium Association spoke against the higher rates that single families that share a meter will have to pay. They seem to be adversely impacted. He previously sent a letter to the Council outlining his concerns. At the association where he resides they are locked into 5 single family units sharing a meter and they cannot retrofit the building to put a meter on each unit. He was told to expect an increase of 16% and may be 20%, which seems inequitable. There is some new technology that can be fit on the existing pipes and enable metering of the water use as single-family units. If this technology works, it is feasible for each unit to have the same advantage as other single families.

Pat Latona, Ward 3, also lives at Wolf Run. She asked for a delay in implementing the ordinance in order to make revisions to allow all single-family residences to receive the same rate, even if they share a meter.

Jennifer Sweet, Ward 3, asked the Council if any consideration was given to the impact on families. Rents will have to be raised, and this will impact the ability to retain employees in Lebanon.

Mr. Andrews spoke again. He said the simplest solution is to give all residences the same increase, so it is the same for all. To base the cost of water on the size of the meter going into the building is unfair to some families.

The Council also discussed the new sewer rates, saying the fixed charge is less for 5 units than a single-family residence. The disjoint is on the consumption. The medium family in Lebanon uses about 1200 cubic feet of water. Mr. Fox said the average consumption at the 5-unit Fox Run Condominiums is about 1100 cubic feet of water. He said one potential way to remedy this discrepancy is to allow the shared meter residences to be charged under the single-family residential rate instead of the multi-family residential rate. Some communities use an averaging. Putting the total consumption for all the 5-unit condominiums on the single-family tiered rate would result in a higher increase due to the quantity of water used on the tiered charge rate.

One of the goals of the Council is to be thoughtful and support more efficient use of resources. The Council discussed the option to carve out a waiver, at the discretion of DPW or City Manager, to consider technology that would allow residents to benefit from the sub metering systems. Mr. Andrews would like some exemption at this time. There is an overall rate, and if everyone is paying the increase, it is fair. He asked to reserve the right to come back and appeal this decision if the rate increase is unfairly distributed.

Mayor McNamara closed the Public Hearing.

Councilor Hill MOVED, that the Lebanon City Council hereby adopts Ordinance #2019-06 to amend City Code Chapter 68, Fees, §68-15, Enumeration of Fees to incorporate a new fee structure for Water and Sewer Service Rates.

Seconded by Councilor Smith.

One of the considerations for changing the rates was to remove the disincentive to conserve water because of the minimum charge. The elderly residents were paying a fixed fee even though their consumption was low. There is potential to make single family and multi-family units more equitable. For example, take the number of units multiplied by the 1200 cubic feet and charge the single-family rate for that volume and any volume above that would be charged at the higher tier of the single-family rate of \$5.98. That is more complicated in terms of the City's billing system and if the data could be collected it could be adjusted in the future. The goal is the stability and predictability in rates and the ability to cover the costs of the system.

Assistant Mayor Below MOVED Section 68-15 B(1) (a) [3] to read Non-Residential and Non-Single Family Residential: \$4.49.

Seconded by Councilor Hill.

****The vote on the amendment to the MOTION passed unanimously (9-0).***

****The vote on the MOTION passed unanimously (9-0)***

B. CDBG FEASIBILITY STUDY FOR HEADREST

A handout for this study was presented by Headrest and was available at the meeting.

A Public Hearing for the propose of receiving public input and taking action on a Community Development Block Grant (CDBG) Feasibility Study Application for Headrest. Action is required on the following:

1. Approval of CDBG Application for Feasibility Study in the amount of \$12,000 (up to \$12,000 is available for feasibility study grants).

2. Adoption of the City of Lebanon Anti-displacement and Relocation Plan for Headrest

The City Council scheduled this public hearing at their April 3, 2019 regular meeting. The public hearing was properly noticed in the *Valley News* on May 4, 2019 in accordance with City Code and State Law.

Shelley Hadfield appeared on behalf of this request. The Hearings are being repeated due to an error in the Public Noticing. Headrest is requesting funds to evaluate the sustainability of their 14 Church Street building. The study will look at bringing the building in alignment with the long term needs of their clients. They are looking at an expanded kitchen, and an increased counseling space. They intend to do an energy audit to look at energy efficiency and to evaluate increasing the counseling space and a larger space to operate a new teen hotline service. They will also include an energy audit. The City must comply with the Uniform Relocation Act. There will be no displacement due to this study.

Mayor McNamara opened the Public Hearing for 7.B.1.

Hearing no comments for the Public, the Mayor closed the Public Hearing.

Mayor McNamara opened the Public Hearing for 7.B.2.

Hearing no comments for the Public, the Mayor closed the Public Hearing.

Community Development Block Grant funds are available to municipalities for economic development, public facility and housing rehabilitation projects and feasibility studies that primarily benefit low- and moderate-income persons. The purpose of the public hearings required for CDBG funding is to solicit the view of citizens on community development; furnish the citizens with information concerning the amount of funds available and the range of community development activities which may be undertaken under the Community Development Act.

For the year 2019, there will be approximately \$3.5 million dollars available for housing and public facilities projects. Approximately \$3.5 million will be available for economic development. Economic development applications are submitted on a rolling basis until the funds are used up. Approximately \$500,000 is available for Emergency Grants and \$100,000 for Feasibility studies. The City of Lebanon is eligible for up to \$500,000 per year for public facility/housing rehabilitation, up to \$500,000 per year for economic development projects, as well as up to \$500,000 per year in emergency funds.

Feasibility Study funds are available for up to \$12,000 per application.

Councilor Hill MOVED, that the Lebanon City Council hereby approves the submittal of the CDBG Feasibility Study Application for Headrest in the amount of \$12,000, and authorizes the City Manager to sign, submit, and execute any documents which may be necessary to effectuate the CDBG contract.

Further MOVED, that the Lebanon City Council hereby adopts the City of Lebanon Residential Anti-displacement and Relocation Plan for Headrest as presented in the May 15, 2019 City Council Agenda Packet.

Seconded by Councilor Winny.

**The vote on the MOTION passed unanimously (9-0).*

C. CDBG FEASIBILITY STUDY FOR RVCC

A handout for this study was presented by River Valley Community College (RVCC) and was available at the meeting.

A Public Hearing for the propose of receiving public input and taking action on a Community Development Block Grant (CDBG) Feasibility Study Application for River Valley Community College (RVCC). Action is required on the following:

1. Approval of CDBG Application for Feasibility Study in the amount of \$12,000 (up to \$12,000 is available for feasibility study grants).
2. Adoption of the City of Lebanon Anti-displacement and Relocation Plan for RVCC
The City Council scheduled this public hearing at their April 3, 2019 regular meeting. The public hearing was properly noticed in the *Valley News* on May 4, 2019 in accordance with City Code and State Law.

Mayor McNamara opened the Public Hearing for 7.C.1.

Hearing no comments for the Public, the Mayor closed the Public Hearing.

Mayor McNamara opened the Public Hearing for 7.C.2.

Hearing no comments for the Public, the Mayor closed the Public Hearing.

Community Development Block Grant funds are available to municipalities for economic development, public facility and housing rehabilitation projects and feasibility studies that primarily benefit low- and moderate-income persons. The purpose of the public hearings required for CDBG funding is to solicit the view of citizens on community development; furnish the citizens with information concerning the amount of funds available and the range of community development activities which may be undertaken under the Community Development Act.

For the year 2019, there will be approximately \$3.5 million dollars available for housing and public facilities projects. Approximately \$3.5 million will be available for economic development. Economic development applications are submitted on a rolling basis until the funds are used up. Approximately \$500,000 is available for Emergency Grants and \$100,000 for Feasibility studies. The City of Lebanon is eligible for up to \$500,000 per year for public facility/housing rehabilitation, up to \$500,000 per year for economic development projects, as well as up to \$500,000 per year in emergency funds.

Feasibility Study funds are available for up to \$12,000 per application.

Councilor Winny MOVED, that the Lebanon City Council hereby approves the submittal of the CDBG Feasibility Study Application for River Valley Community College in the amount of \$12,000, and authorizes the City Manager to sign, submit, and execute any documents which may be necessary to effectuate the CDBG contract.

Further MOVED, that the Lebanon City Council hereby adopts the City of Lebanon Residential Anti-displacement and Relocation Plan for River Valley Community College as presented in the May 15, 2019 City Council Agenda Packet.

Seconded by Councilor Bronner.

**The vote on the MOTION passed unanimously (9-0).*

8. OLD BUSINESS

A. Remove from Table and Discuss Ordinance #2019-04 To Amend City Code Chapter 152, Streets and Sidewalks, Article II, Excavations

Councilor Hill MOVED to take this off the table.

Seconded by Councilor Prentiss.

**The vote on the MOTION passed unanimously (9-0).*

The amendments to the ordinance include an increase in the application fee; a Roadway Degradation Fee and “Greenbelt” Excavation Fee. The ordinance is being amended to protect streets and sidewalks for streets and pavements that are not more than seven years old. There was a prior request for these amendments and Mr. Donison was available to the City Council to answer any questions. The Council’s discussion focused on the additional burden to residents with limited finances and the additional hardship these fees would put on them when there is already a financial burden of an emergency to replace a sewer line because there is a failure. They considered the reduction of the excavation permit fee. The greenbelt excavation fee could be reduced, as this area is usually thought of as the owner’s yard. The Council asked what the City is going to do with the greenbelt fee, because the resident still has to pay to restore the lawn and always maintains the lawns as well. The greenbelt is considered the area between the sidewalk and the roadway but will also include the zone of influence that would be degraded by the excavation. They discussed the greenbelt fees and what it covered, the roadway degradation fees, the excavation permits, and the fees associated with each. They reviewed how the bond that has to be filed with the City for this work can be pulled to make repairs if the owner comply. The City Manager discussed how the rates were determined, including staff time to inspect and file the paperwork.

The Council would like more clarification on how the greenbelt fee is charged, relative to sidewalks and those areas where the City has a risk. Does it include the area between the road, the sidewalk and a certain distance behind the sidewalk? They would like to place some parameters on the greenbelt fee and an adjusted rate to \$1.50 per square feet was discussed. They would like to consider language for the discretion of the hardships, and distinctions between family and commercial premises. There is support for waving the degradation and greenbelt fee for single family emergency situations, but not the permit fee and the bond fee. They will discuss the details again before setting a public hearing.

B. Westboro Yard

The Council returned to this item on the agenda later in the meeting. Several staff and Councilors have reached out to the Senate to emphasize how important it is to the City. It is important to keep the item in the State budget in order to address the work at Westboro Yard.

9. NEW BUSINESS

A. Presentation by ReVision Energy: City-Wide Solar Project; Authorization For City Manager To Enter Into A Power Purchase Agreement With ReVision Energy

On November 8, 2018, the City issued a Request for Proposals for the “City of Lebanon Municipal Multi-

Site Solar PV.” After an extensive review, ReVision Energy of Concord, NH was chosen for phase one of the project. The representatives from Revision appeared before the Council and gave a PowerPoint presentation on the proposed multisite installation, which incorporates 8 sites including the police department. They are planning to add the electric vehicle charging station near City Hall.

Revision discussed the capacity of the arrays and the actual energy that will be produced. It will be just under a million KWH per year. They showed a chart of the amount of energy that will be produced at each site. The structural analysis has been done for each site. All the roofs that are selected are ready to go for solar. The sites that were eliminated still need roof repairs. The sludge house roof and City Hall new roof plans are underway. The intention is to install the arrays by 2019 to access the full tax benefit. The systems will be roof mounted and ground mounted systems. Battery storage is not proposed at this time, because battery economics are still not cost effective, but could be in the future. Most of the production will be used behind the meter. All the systems they are building can be integrated with a battery system in the future.

The solar edge inverters give opportunity for data collection for analysis and troubleshooting difficulties in the panels. Any excess energy that is generated is proposed to be sold to Liberty Utilities. The equipment provides a 25-year warranty, and most equipment lasts 30-40 years. Revision will continue to be the contact person for the warranty during the PPA. Twenty-five years is the standard PPA contract term with early buyout options after year six. The City can continue to operate under the PPA with the option to extend out to 30 years.

They discussed the state of the solar technology and asked how quickly it is outdated. At this time, the energy efficiency of the panels is maximized but the same technology has been used for 30 years. The panels do not degrade. The inverters are the technology that are being improved and where more benefit is gained. The inverters are planned to be replaced at 12 years. Because the City is not for profit it is not able to get the tax benefits. Therefore, the investor will own the equipment and there will be a PPA for a minimum of 5 years. This will make the investor whole at that time. The City agrees to purchase the power and has the option to purchase the array after year six. There is potential to save \$1.8 million over 25 years.

Assistant Mayor Below MOVED, that the Lebanon City Council hereby authorizes the City Manager to negotiate and enter into a twenty five-year Power Purchase Agreement with ReVision Energy for the installation of solar photovoltaic systems at the following eight (8) locations: City Hall, Kilton Library, Wastewater Treatment Plant, Landfill Recycling Building, Landfill Maintenance Garage, Public Works Administrative Building, and the Public Works Maintenance Garage.

Seconded by Councilor Prentiss.

****The vote on the MOTION passed unanimously (9-0).***

B. Authorization for City Manager to Issue Request for Proposals for the Redevelopment of 20 Spencer Street (Former DPW Facility).

The City Manager has been working with staff and members of the Economic Vitality Exchange Committee (EVEC) to formulate a Request for Proposals (RFP) for the redevelopment of the City’s former DPW facility at 20 Spencer Street, Lebanon. David Brooks and Shelly Hadfield worked on the RFP and they explained the RFP. They are hoping to get this property back into the tax rolls and redeveloped. The intention is to not have the RFP be too prescriptive, to allow the contractors to offer

their best potential plans. Some aspirational goals were included in the RFP to let the Contractors know what the City is striving to achieve. The latest draft of the RFP includes guidelines for submission and how the RFP will be evaluated and scored by the City. Staff hope to get responses to the RFP back by the fall and plan to start development by the end of the year. Hopefully some developers will be engaged and attracted by the RFP and will want to build in Lebanon. The inclusion of EVEC in the process has been a model for this kind of initiative.

Councilor Hill MOVED, that the Lebanon City Council hereby authorizes the City Manager to issue the Request for Proposals (RFP) for 20 Spencer Street as presented in the May 15, 2019 Council Agenda Packet.

Seconded by Councilor Prentiss.

****The vote on the MOTION passed unanimously (9-0).***

C. Authorization for The City Manager to Enter Into A Lease Agreement With River Valley Community College for Office Space for Recreation & Parks and General Meeting Space

Recreation and Parks has to move out of City Hall by August and other efforts to find a location have not worked out. City Administration has been searching for adequate space and has reached an agreement with River Valley Community College (RVCC) for utilization of four (4) rooms totaling 1,158 square feet at the rear entrance to the college. The location is convenient, it helps the City and helps the River Valley College. The rental terms are all inclusive. They will be located on the main floor, near the parking lot side of the building with direct access to the outside.

Councilor Bronner MOVED, that the Lebanon City Council hereby authorizes the City Manager to enter into and execute a lease agreement in the amount of \$28,950 with River Valley Community College for a one-year term for office space to house the Recreation Department.

Seconded by Councilor Heistad.

****The vote on the MOTION passed unanimously (9-0).***

D. Presentation & Discussion of Proposed Amendments to Chapter A191, City Council Rules

Mr. Mulholland discussed the revisions regarding appointment applications. Council participation by phone or video will be allowed under one of the amendments, provided there is a physical presence of a quorum. This attendance is not encouraged, but it will be permitted. It will be helpful when it is used occasionally. There is no action required tonight, but action will be scheduled for June 5, 2019.

10. REPORTS

A. CITY MANAGER

The Council appropriated \$200,000 of matching funds for the Miracle Mile pedestrian improvements. The City applied for a TAP grant, but it was not received. Staff applied for a second grant to improve the bus stop, but that also was not received. The DPW has put together a design for a safe haven on both sides of the road, a sidewalk, crosswalk and signal, street lighting and a bus stop. The \$200,000 could be repurposed, but it is not sufficient to do all the improvements that they want to make. There will be no major improvement until 2020 but they will be doing some safety improvements that will not require substantial investment. The council is concerned about the lack of lighting in the area where people are already trying to cross, even if there is no crosswalk.

There are no updates on House Bill No 641. They are working with the State regarding the budget and the funding streams that will be available to the City, and what funds go to municipalities. The budget should be passed by July 1, 2019.

Assistant Mayor Below provided an update on the energy bills that are going through committees. A number of energy bills are getting ready for passage at the State Legislature. He offered to continue to represent the City at the State and the City Manager and Council gratefully accepted.

Mr. Mulholland reminded everyone of the special meeting on June 26, 2019, about the landfill issues. There will be a number of public hearings for rates on the landfill and the business plan for the landfill. The communities that use the landfill will be invited, as rates will be adjusted higher.

B. COUNCIL REPRESENTATIVES TO OTHER BODIES-None

11. FUTURE AGENDA ITEMS-None

12. NON-PUBLIC SESSION-None

13. ADJOURNMENT

Councilor Bronner MOVED for adjournment.

Councilor Winny seconded the motion.

**The MOTION passed unanimously, (9-0).*

The meeting was adjourned at 9:25 PM.

Respectfully submitted
Linda Billings
Recording Secretary