

**FINAL**

**CITY OF LEBANON  
CITY COUNCIL  
Minutes, Regular Session, June 19, 2019  
City Hall – Council Chambers  
7:00 p.m.**

**MEMBERS PRESENT:** Mayor Tim McNamara, Assistant Mayor Clifton Below, Bruce Bronner, Erling Heistad, Suzanne Prentiss, Karen Liot Hill, Jim Winny, Karen Zook

**MEMBERS ABSENT:** Shane Smith

**STAFF PRESENT:** City Manager Shaun Mulholland, Deputy City Manager Paula Maville, City Clerk Sandra Allard, Planning & Zoning Director David Brooks, Heritage Commission Chair Robert Welsch, Planning Board Representative Sarah Welsch, Energy & Facilities Manager Tad Montgomery, Director of Public Works Jim Donison, Assistant Director of Public Works Bruce Temple, Finance Director Greg Colby, City Hall Custodian Rich Adams

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**Mayor McNamara called the meeting to order at 7:00 p.m.**

**1. PLEDGE OF ALLEGIANCE:** Councilor Prentiss led the Council in the Pledge.

**2. PUBLIC FORUM:** Mayor McNamara made the Public Forum announcement.

**3. OPEN TO PUBLIC:** Mayor McNamara opened the meeting to the Public.

Mr. Stephen Gerard Sidlovsky presented information on a new Citizen Overlay Zone Concept and displayed a banner on a Life, Peace Zones.

No other members from the public came forth.

**4. RECOGNITIONS:**

Mayor McNamara presented the history of the Peck Homestead as part of the 2019 Historic Designation Program, noting that the Heritage Commission has chosen the Peck Homestead, owned by Alice Peck Memorial Hospital located at 127 Mascoma Street, Lebanon, NH, for designation as a local Historic Landmark. This designation was given in recognition of the historical, architectural and culture significance of the property.

An honorary certificate and plaque was presented by Mr. Robert Welsch, Chair of the Heritage Commission, to Mr. Peter Glenshaw, VP of External Affairs, Alice Peck Day Memorial Hospital.

**5. ACCEPTANCE OF MINUTES:**

- June 5, 2019 (Regular Session)

***Councilor Prentiss MOVED to approve the June 5, 2019 (Regular Session) Minutes as written and presented in the June 19, 2019 agenda packet.***

***Seconded by Councilor Winny.***

***\*The Vote on the MOTION passed (8-0).***

**6. APPOINTMENTS:**

- Heritage Commission: Linda Cole (Regular Member)

*Councilor Below nominated Linda Cole for reappointment as a regular member of the Heritage Commission for a three (3) year term (June 2019 – June 2022).*

*\*The Vote on the MOTION was (8-0).*

- Zoning Board of Adjustment: Jennifer Mercer (Regular Member)

*Councilor Heistad nominated Jennifer Mercer for reappointment as a regular member of the Zoning Board of Adjustment for a three (3) year term (June 2019 – June 2022).*

*\*The Vote on the MOTION was (8-0).*

**7. PUBLIC HEARING ITEMS (NONE)**

**8. OLD BUSINESS**

- A. Presentation of Second Reading:** Amendment to Ordinance #18, Salary Plan to move the positions of Children's Librarian (Grade 9), Young Adult Librarian (Grade 8), and Systems Librarian (Grade 9) from the LPASE Bargaining Unit to the Non-Affiliated Employee Unit, Grades 8, 8, and 9, respectively.

**Councilor Prentiss MOVED, that the Lebanon City Council acknowledges the second of three presentations to amend Ordinance No. 18, Salary Plan as follows:**

- 1. Amend Article III, Bargaining Unit Employees, Lebanon Professional, Administrative, Salaried Employees (LPASE) by removing the full-time positions of Branch Librarian Coordinator (Grade 6), Children’s Librarian (Grade 9), Systems Librarian (Grade 9), and Young Adult Librarian (Grade 8).**
- 2. Amend Article II, Non-Affiliated Unit Employees by adding the full-time positions of Children’s Librarian (Grade 8), Young Adult Librarian (Grade 8), and Systems Librarian (Grade 9).**

**(Changes to the compensation and classification schedules shown in strikeout and red italics type.)**

**LEBANON PROFESSIONAL, ADMINISTRATIVE, SALARIED EMPLOYEES (LPASE)**

| APPENDIX B -<br>LPASE - 2019 Salary Grade |                                      | Minimum    | Step 2     | Step 3     | Step 4     | Step 5     | Step 6     | Maximum    |
|---|--------------------------------------|------------|------------|------------|------------|------------|------------|------------|
| Grade Position Title                      |                                      | Step 1     |            |            |            |            |            | Step 7     |
|   |                                      | \$24.20    | \$25.21    | \$26.22    | \$27.23    | \$28.25    | \$29.22    | \$30.24    |
| <del>6 Branch Librarian Coordinator</del> |                                      |            |            |            |            |            |            |            |
| 7   | Field Inspector                      | \$25.18    | \$26.22    | \$27.26    | \$28.31    | \$29.34    | \$30.38    | \$31.47    |
| 8   | Code/Health Inspector                | \$25.68    | \$26.75    | \$27.80    | \$28.87    | \$29.94    | \$31.00    | \$32.11    |
|   | Real Estate Appraiser II             | \$25.68    | \$26.75    | \$27.80    | \$28.87    | \$29.94    | \$31.00    | \$32.11    |
|   | Associate Planner                    | \$1,027.37 | \$1,070.00 | \$1,112.33 | \$1,154.80 | \$1,197.60 | \$1,240.00 | \$1,284.40 |
|   | <del>Young Adult Librarian</del>     | \$1,027.37 | \$1,070.00 | \$1,112.33 | \$1,154.80 | \$1,197.60 | \$1,240.00 | \$1,284.40 |
| 9   | Communication Supervisor             | \$27.73    | \$29.35    | \$30.96    | \$32.59    | \$34.21    | \$35.82    | \$37.45    |
|   | Cemetery Sexton                      | \$27.73    | \$29.35    | \$30.96    | \$32.59    | \$34.21    | \$35.82    | \$37.45    |
|   | Fleet Maintenance Superintendent     | \$27.73    | \$29.35    | \$30.96    | \$32.59    | \$34.21    | \$35.82    | \$37.45    |
|   | Maintenance Superintendent           | \$27.73    | \$29.35    | \$30.96    | \$32.59    | \$34.21    | \$35.82    | \$37.45    |
|   | <del>Children's Librarian</del>      | \$1,109.32 | \$1,174.11 | \$1,238.48 | \$1,303.60 | \$1,368.40 | \$1,432.80 | \$1,498.00 |
|   | Recreation Program Coordinator       | \$1,109.32 | \$1,174.11 | \$1,238.48 | \$1,303.60 | \$1,368.40 | \$1,432.80 | \$1,498.00 |
| 10  | <del>Systems Librarian</del>         | \$1,109.32 | \$1,174.11 | \$1,238.48 | \$1,303.60 | \$1,368.40 | \$1,432.80 | \$1,498.00 |
|   | Utilities Maintenance Superintendent | \$30.52    | \$32.29    | \$34.06    | \$35.85    | \$37.61    | \$39.39    | \$41.17    |
|   | Wastewater Treatment Superintendent  | \$30.52    | \$32.29    | \$34.06    | \$35.85    | \$37.61    | \$39.39    | \$41.17    |
|   | Water Treatment Superintendent       | \$30.52    | \$32.29    | \$34.06    | \$35.85    | \$37.61    | \$39.39    | \$41.17    |
|   | Administrative Services Manager      | \$1,220.45 | \$1,291.42 | \$1,362.40 | \$1,433.37 | \$1,504.35 | \$1,575.34 | \$1,646.96 |
|   | Airport Operations Supervisor        | \$1,220.45 | \$1,291.42 | \$1,362.40 | \$1,433.37 | \$1,504.35 | \$1,575.34 | \$1,646.96 |

**NON-AFFILIATED EMPLOYEES**

| Non-Affiliated Employees<br>2019 |  |         |         |            |            |
|----------------------------------|--|---------|---------|------------|------------|
| Grade                            | Position Title                             | Hourly  |         | Weekly     |            |
|                                  |  | Minimum | Maximum | Minimum    | Maximum    |
| 1                                | -  | \$16.26 | \$21.96 | -          | -          |
| 2                                | Custodian                                  | \$17.24 | \$23.27 | -          | -          |
|                                  | Department Secretary                       | -       | -       | -          | -          |
| 3                                | Airport Maintenance Worker                 | \$18.27 | \$24.67 | -          | -          |
|                                  | Custodian I                                | -       | -       | -          | -          |
| 4                                | Library Assistant                          | \$19.37 | \$26.15 | -          | -          |
| 5                                | -  | \$20.53 | \$27.71 | -          | -          |
| 6                                | -  | \$21.76 | \$29.37 | -          | -          |
| 7                                | Administrative Secretary                   | \$23.06 | \$31.14 | -          | -          |
|                                  | Assessing Clerk                            | -       | -       | -          | -          |
|                                  | Assistant City Clerk                       | -       | -       | -          | -          |
|                                  | Assistant Human Services Director          | -       | -       | -          | -          |
|                                  | Communications Specialist                  | -       | -       | -          | -          |
|                                  | Library Administrative/Technical Assistant | -       | -       | -          | -          |
| 8                                | Administrative Assistant                   | \$24.45 | \$33.01 | -          | -          |
|                                  | Benefits Coordinator/Payroll Specialist    | -       | -       | -          | -          |
|                                  | Deputy City Clerk                          | -       | -       | -          | -          |
|                                  | Deputy Tax Collector                       | -       | -       | -          | -          |
|                                  | Children's Librarian                       |         |         |            |            |
|                                  | Young Adult Librarian                      |         |         | \$978.00   | \$1,320.40 |
| 9                                | Executive Assistant                        | \$26.89 | \$36.30 | -          | -          |
|                                  | Information Technology Librarian           | -       | -       | -          | -          |
|                                  | Systems Librarian                          |         |         | \$1,075.60 | \$1,452.00 |
| 10                               | Financial Analyst                          | \$29.58 | \$39.93 | \$1,183.18 | \$1,597.28 |
|                                  | Human Services Director                    | -       | -       | -          | -          |

*Seconded by Councilor Hill.*

*\*The Vote on the MOTION passed unanimously (8-0)*

**B. Westboro Yard:**

Mr. Mulholland updated the Council on the following:

- The House and Senate versions for the appropriation of the removal of the buildings in Westboro Yard is still in the budget as far as he knows. The State budget begins on July 1, 2019.
- The TUA (Temporary Use Agreement) between Rymes and the DOT expired on May 31, 2019. The NH DOT has proposed a new TUA for another year, which would be retroactive back to June 1, 2019. He received notification of this on June 17, 2019 and spoke with Executive Councilor Cryans about the following concerns he has for the City:
  - 1) Rymes had agreed to mounding the tanks, but no provision for this was made in the TUA
  - 2) The City had asked for flame and gas detection, which Rymes did not agree to. However, the City had asked the NH DOT to at least broach this issue, but this did not appear in the draft TUA for the upcoming year.
  - 3) The TUA document has already been executed by the NH DOT and Rymes. Part of the technical issues with this document is that Exhibit A shows the full Westboro Yard

but Exhibit B contains only the exact location where Rymes is located is. Mr. Mulholland said that until the language in the agreement clearly defines what the area the TUA will cover, the matter should be tabled.

- 4) The TUA agreement also requires a Certificate of Insurance that shows New Hampshire is an additional insurer. A Certificate of Insurance was provided, but New Hampshire was not included as an additional insurer. Mr. Cryans was again asked to table the TUA for Westboro Yard. This matter has now been tabled until July 10, 2019.

## **9. NEW BUSINESS**

### **A. Presentation: Plaque for 2019 Historic Landmark Designation Program; Peck Homestead, 127 Mascoma Street, Lebanon**

This topic was presented earlier in the agenda under RECOGNITIONS.

### **B. Community Nursing Program Update:**

At the request of Councilor Winny, Laurie Harding, Janet Lowell (Lebanon's Nurse), Jane Conklin (Social Worker) and Jill Vahey (Director, Upper Valley Senior Center) came before the council to give an update on how the program is progressing and how the City can continue to support their efforts.

Ms. Harding gave a detailed presentation that addressed the history of homecare nursing and the difficulties and concerns they have about people aging in their communities titled - Upper Valley Community and Parish: Enhancing the Continuum of Care, which was provided in the June 19, 2019 agenda packet. Case studies from LIGHT (Lebanon Interdisciplinary Geriatric Homecare Team) were also presented to the Council along with the initiatives that have been developed to help the aging population with their health care needs so they can age in place.

Councilor Winny said he sees a lot of benefits to the community with this program, especially the elderly, and asked how the City could do more to help.

Ms. Harding said she hopes there is a point in time when the City of Lebanon would consider hiring a nurse as one of their employees. A City nurse would continue to work in collaboration with the LIGHT team to strengthen the system the LIGHT team has initiated. This would be one way to secure some services that the City would not have available to them otherwise, noting that the Grafton County Senior Citizens Council is not in the business of hiring a nurse and while the VNA hires nurses their services are for very specific purposes. This is a unique program and felt there are opportunities for the City to eventually take a look at this.

The Council, and the LIGHT team, discussed the reasons for resisting Home Health Care in the aging population; what the greater need is vs. what the City is currently meeting; falls in the home; medication rectification; nurse hours; the importance of social contact for the aging, and; the affordability and availability of nursing homes, assisted living facilities and home health aides.

Ms. Harding said she would provide Mr. Mulholland with the New Hampshire Healthy Aging Data Reports. She suggested the Council take a look at the report to gain knowledge about where Lebanon comes up short in certain areas.

**ACTION: No action required.**

### **C . Review and Adoption of 2019 Cash Management & Investment Policy**

For the benefit of the CATV audience, Mayor McNamara read the background of this policy provided in the June 19, 2019 agenda packet, Item 9.C.

Mr. Colby said the City Council and the NH RSA requires the re-adoption of this policy every year. Since its last review, there have not been any new laws or requirements that would cause the City to make any changes. He noted this policy only applies to the City's funds: The Trustees of Trust Funds and the Library Trustees are required to adopt separate policies.

**ACTION:**

***Councilor Bronner MOVED, that the Lebanon City Council adopts City Council Policy CC-100, Cash Management and Investment Policy, as presented in the June 19, 2019 City Council Agenda packet, to be effective upon passage. Secoded by Councilor Hill.***

***In response to Councilor Hill's question, Mr. Colby said he would probably look at the rate biddings from banks every 3-5 years.***

***\*The Vote on the MOTION passed unanimously (8-0).***

**D. Annual Review of Fund Balance Policy**

Information and the background of the Fund Balance Policy was provided in the June 19, 2018 agenda packet, Item 9.D.

Mr. Colby said that last year, the Council adopted a new policy with a range of Fund Balance retention in the neighborhood of 19%-24% of expenditures. At the end of 2018, the City is projected to have just shy of 38% of the requirements. The purpose of this fund is to allow, over the next few years and as the debt load of the City's General Fund increases, the City to start to use some of this Fund Balance to maintain a stable tax rate. He anticipates that over the next 3-5 years this fund balance will gradually come down to within the 19% - 24%. The Fund Balance is the difference between assets and liabilities for the General Fund. This was just a review of the policy. **No action is required at this time.**

**E. Discussion & Set Public Hearing for July 10, 2019: Amend purpose of Property Acquisition Capital Reserve Fund established December 19, 2018.**

Mr. Mulholland said the purpose of this fund is to establish a new Property Acquisition Capital Reserve Fund to be used to aggregate resources to acquire real estate, or interests in real estate, as deemed in the City's interest and that the City Manager shall be the agent of the City to carry out the purpose of this Fund as established by the City Council. The primary objective in creating this account is to have funds available when needed to purchase an abutting property to the Kilton Library. The adjacent property is not presently on the market however, it may come on the market in the next several years. This fund would provide base funds that could be leveraged with donations to purchase this property to expand parking at the Library. The present purpose and name of this fund is very broad because Capital Reserve Funds are required to be used for a designated purpose. The purpose of this fund is proposed to be redefined as follows: "Library Facilities Capital Improvement Fund – The purpose of the fund will be to acquire property, construct new facilities, or renovate existing library facilities." The City Manager shall be the agent of the City to carry out the purpose of this Fund as established by the City Council."

**ACTION:**

**Councilor Hill *MOVED*, that the Lebanon City Council hereby schedules a public hearing for Wednesday, July 10, 2019, beginning at 7:00pm in Council Chambers, City Hall, for the purpose of receiving public input and taking action to amend the purpose of the Property Acquisition Capital Reserve Fund, originally established December 19, 2018.**

***Seconded by Councilor Bronner.***

***The Vote on the MOTION passed unanimously (8-0).***

**F. Discussion & Set Public Hearing for July 10, 2019: Ordinance 2019-08**

Amend City Code Chapter 74, Flood Damage Prevention to clarify the types of new residential construction permitted in special flood hazard areas.

Mr. Brooks informed the Council that development within the City is governed by the Flood Damage Prevention Ordinance, Chapter 74. It was adopted by the City Council on June 4, 1980 in order to comply with the National Flood Insurance Program (NFIP) requirements being enacted at that time.

Section 74.21.A addresses Special Standards for residential construction within the 100-year floodplain and reads as follows:

“New construction and substantial improvement of any residential structure shall have the lowest floor, including basement, elevated to or above base flood elevation. New residential construction shall be limited to single-family dwelling units.”

City staff has recently been asked about the interpretation and application of the second sentence of this section (as highlighted above), limiting new residential construction to single-family dwelling units, as it relates to potential redevelopment opportunities along Spencer Street. With Ordinance 2019-08, changes are proposed to Chapter 74 to remove this restriction.

David Brooks, Planning Director, provided details regarding the requested changes in a memo in the June 19, 2019 agenda packet.

**ACTION:**

**Councilor Bronner *MOVED*, that the Lebanon City Council hereby schedules a public hearing for Wednesday, July 10, 2019, beginning at 7:00 pm in Council Chambers, City Hall, for the purpose of receiving public input and taking action on proposed Ordinance #2019-08 to amend City Code Chapter 74, Flood Damage Prevention.**

***Seconded by Councilor Prentiss.***

***\*The Vote on the MOTION passed unanimously (8-0).***

**G. Discussion & Set Public Hearing for July 24, 2019: Supplemental Appropriation for City Hall Renovations.**

Mr. Shaun Mulholland, Mr. Jason LaCombe and Ryan Smith from SMP Architects, Mr. Bert Delabruere from ReArch, and Mr. Jim Donison and Mr. Bruce Temple from Lebanon’s DPW came before the Council to represent the above item. (Detailed cost summaries for Phases #1, #2, & #3 – 2019 were provided on pages 103 to 119 of the June 19, 2019 agenda packet. City Hall design layout maps were also provided to the Council but were not included in the agenda packet.)

Mr. Mulholland said that back in December of 2018, the Council appropriated approximately \$3.3 million for renovations of City Hall. There were several discussions and a packet of information was provided to Councilors back in November of 2018 and noted the documents provided to the Council for this meeting. The purpose of this meeting is to bring back a Supplemental Appropriation to do more of the work that needs to be done for the City Hall building, as discussed in December 2018

Mr. Mulholland presented a previous Power Point to bring the Council up to speed. The most recent issue of City Hall started back in 2005, so for 14 years this has been in progress. He said critical issues arose that were not included in the original assessment and things have continued to deteriorate in the building so the list has grown longer and noted the following critical issues taking place in City Hall now:

- Roof: Basically, there is no insulation in the roof whatsoever and we are heating the outside in the wintertime; there are membrane issues; we have leaks (e.g. the East Meeting Room and West Meeting Room where there are damage to the roof tiles); there is damage in the Lobby due to roof leaks; there are structural issues that prevents the installation of solar until these are corrected. We are in the process of finalizing the agreement with ReVision to put solar on the roof, which is planned as part of the roof reconstruction. On the east side of the building (entrance to the City offices) there are snow and ice hazards during the winter and we had to close the sidewalk out there because the ice falls off the roof there. Now that this is the Roger's House handicapped accessible entrance, when this is closed off it creates a serious issue. The goals and objectives are to repair the roof; replace the membrane; replace the roof drainage system; address snow/ice hazards, and; move the HVAC structures to allow for the installation of solar panels which is planned.
- HVAC: Is at the end of its life (the heating system failed twice this past winter). Fortunately, we have two boilers and one of those can operate and provide 2/3rds of the heat necessary for the building, but it still gets cold in the building when one boiler fails. Going into another winter with the potential of that system failing would be a substantial risk if we are not able to complete that task (replacing the HVAC system). It is an older style oil burner and does not burn as sufficiently as a new system would, so we are burning a lot more fossil fuels and creating a lot more CO2 than we need to. Our sustainability goals are to reduce the use of fossil fuels and the carbon that is being put into the atmosphere. There is uneven heating/cooling throughout the building and, as noted through testing, there are unsafe carbon dioxide levels in several rooms throughout the building.

Mr. Mulholland said that included in the appropriation is the replacement of the HVAC system, addressing the CO2 issue, replacement of LED lighting, and replacement of windows. He also noted the following building deficits for City Hall:

- The building has very few security features. There is no way to prevent people from accessing our staff, and we obviously deal with large sums of money here and we do not have adequate measures to ensure the safety of the staff. The access control systems to the building that we do have do not function. There is no positive control of the building and we have not had it for several months.
- On the seepage and mold issues, especially down on the lower level, there are windows nailed shut and the frames are all rotted out, which is occurring throughout the exterior of the building. These issues have to be addressed because they continue to get worse as the cost continues to go up.
- Electrical systems are very outdated.
- There are plumbing issues with the pipes.
- Protection of citizens personal identifying data in City Clerk's area is always an issue. We have staff and people that walk back to the City Manager's office that can see the clerk's computer screens with personal identifying information of our citizens. This is not supposed to occur but

under the current circumstances we cannot eliminate this from happening and it needs to be addressed.

- Again, there are deficits in access control, in security enhancements, and alarm systems in key places throughout the building.
- Where the Planning Department is located now, there is no separation for the Planning Department Director to do interviews and discuss personal matters with employees or the public and this area is just not setup for digital processes and operations: it is setup for the old-style paper system, which we are rapidly trying to get away from.
- There are space limitations (i.e., employee break area).

Mr. Mulholland said the Council was sent the most recent set of renovation floor plans prior to this meeting but was providing Councilors with an older set at this meeting to show them the phasing with the September 18, 2018 diagram. After introductions were made (as listed above), he said they would be going through what the current plan is, what is hoped to be accomplish with the original funds, and what they hope to do with the additional appropriations. The Council will not be voting on the additional funds because it will require a Public Hearing, which will be scheduled for July 24, 2019.

Jason LaCombe, SMP Architects, presented the latest set of construction floor plans, noting the drawings were 50% complete. The remainder of the drawings should be completed by July 4, 2019 and will then be sent to Bert Delabruere from ReArch for bidding.

Mr. LaCombe reviewed the scope of the work to be done with the currently approved budget, approved in December 2018, using the design diagrams provided to the Council at the beginning of the meeting.

Details were as follows:

- Roof: The scope of the construction is on the roof structure. He listed the deficiencies, what the construction of the roof would entail, and noted that the insulation factor for the roof would be R-56 and R-40 for the walls of roof section once work is completed. This will be a significant thermal upgrade.
- Renovation of Level 5: Repurposing for Planning/Zoning Dept. facilities, Conference Rooms and restoration of the now Council Chambers ceiling back to the way it was back in 1923 with the arch, noting that this is one of the few historical artifacts left in the building that has not been removed. He explained what would not be included as part of the Level 5 scope of work on the floor plans.

The rest of the space would receive new flooring, touchup paint and finishes up to the limit of the top of the stairwell. The stairwell is not currently part of that scope of work. The floor finish is dictated by the level of renovation happening and it would make sense to replace the carpet at that time. These were not included in the appropriations.

- Renovation of Level 3: The current plan is that the Recreation Dept. will be moving out of the building, so this space would be repurposed to become the future IT Staff area and server room. A small concession stand and ticket windows for the Opera House would be constructed in that area as well. They will also be repurposing all the exterior walls and insulating them with 5” of spray foam. All the woodwork being removed would be installed on the new walls. Windows will be replaced with energy efficiency units that are operable from Marvin Windows. Limited work will include drainage and horizontal water proofing between the building and the sidewalk where there are leaks.

Questions were raised about the City paying for the Opera House concession stand with supplemental appropriations. Mr. Mulholland said the Opera House needs the space to sell tickets, noting that the ticket



booth they have now is not really functional. He confirmed that they do not pay the City annual rent for this space but will pay for some of the work done (e.g., fall protection, lighting work and renovations to the main Opera House).

A discussion took place regarding how much of the appropriated funds, and monies coming from the operating budget last year (\$3,558,000), are being used for the roof work (e.g., reroofing, structural, insulation) in Phase I; why Phase II or III was not included in the appropriated funds based on 50% of the design drawings, and; objections to where Council Chambers would be located. Mr. LaCombe said this has not been broken out, but would be happy to do so. He will send a summary out for the different divisions throughout the estimate. It was noted that the \$3.5 million is only for Phase I.

The Council had lengthy detailed discussions, and Mr. LaCombe explained, what would be included for the already appropriated funds in Phase I, especially the roof; what additional funding would be needed to complete Phase II (an additional \$1,011,000) and Phase III (an additional \$2.8 Million).

Councilor Prentiss questioned why the heating system was in Phase III. Mr. Mulholland said this is because all the insulation needs to be done first. The building needs to be insulated and all efficiencies done first, otherwise we would have to put in a larger heating plant that is more expensive and burns more fuel. Once all the insulation/efficiencies are done, a much smaller heating plant can be put in place.

Councilor Hill questioned why the public bathrooms would not be renovated. Mr. Mulholland said it is because there are other additional costs and project increases across the board. He said renovation of this entire building would be a \$13-\$15 million job so just certain things were being done.

Councilor Hill said there are some real tremendous priorities and when the budget was talked about last year, the issues were the roof, safety, and the air quality. What she was hoping to see is that Phase I would address these highest priority issues but, instead, what she sees are phases that do not seem to reflect the priorities that were laid out. She spoke about the major sewer interceptor that was putting constraints on the City's ability to move forward on economic development goals. We (the Council) thought that it was important, because of constraints on the City's budget, to Phase this project and appropriated almost three times as much money for City Hall renovations than was appropriated for the sewer interceptor project last year. She felt it was a good show of faith, on the part of City Council, that they valued the urgent priorities that were laid out, and the Council was compelled that there were issues that needed to be addressed urgently. What she is seeing now is the Council Chambers moving to a smaller space and that the public spaces are not being given the investment they need. She said there is a mismatch in terms of the priorities and the treatment of the public, specifically the public spaces. She was not prepared to move forward with this plan, and is especially not prepared to move forward with a Special Appropriation because she thought what had been appropriated was for the roof, safety and air quality.

Councilor Prentiss's said her concern was not where the Council Chambers would be located, but that a major renovation to a City department is being phased in the first part of this proposal. She understands there are improvements for public access and security for the public and staff, but takes Special Appropriations very seriously. What was previously laid out and what we have now is mismatched and she cannot support moving a department when there are other issues that have not yet been addressed.

Mayor McNamara questioned why the planning space could not be significantly improved where it is by moving IT. Mr. Mulholland said the same work, if the Council Chambers and Planning Department were switched, has to be done – the interior walls still need to be created. The simple fact is that we have people that are living in the basement and the issue is that these people are here 8-10 hours a day and the Council is here a few hours a month.

Councilor Prentiss said Mr. Mulholland was not wrong, but her opposition to this is not about having a higher quality of workspace for City employees. Her concern about this design is that it is mismatched. If she is going to support a Supplemental Appropriation, it will not be for this. It would be to fix the roof, the air quality and when she sees the crises for the boiler listed in Phase III, that's where she is falling. She felt that safety, the roof and the structural issues are also urgent. If there are plans to move Planning and Zoning up to level 5, then this can be done at a later date, when it does not require the vote on a Supplemental Appropriation.

Mayor McNamara asked what the supplemental cost of a larger boiler would be and was told by Mr. LaCombe it would be an insignificant cost. He suggested that a larger boiler be pushed into Phase I. Mr. Mulholland said this is why a full appropriation was being asked for initially: to get the whole project done this year.

Mayor McNamara said he went back to the notes from November 29, 2018, and at that time the full project cost was shown in the notes as being \$5.740 million. We are now (with 50% of the drawings completed) at \$6.379 million dollars, or \$640K delta between last November and now with a 10% contingency noting that when this project is bid out, that supplemental appropriation could get even bigger. What concerned him was a project where there are interlocking phases where the City would be committing themselves to most of the project due to those interlocking phases.

Councilor Hill said she would like to see stand-alone phases, noting that the City did not have \$5.7 million dollars and felt the Council was very generous in their appropriation. She understands that more than \$3.3 million needs to be done, but she wanted to see some kind of phasing that recognizes the urgent priorities that were previously laid out: the roof, safety and air quality. Where people's offices are located and the cosmetic items can be done in the future.

Mr. Mulholland said this is a complex building that is inter-related. You just cannot separate items and say we are just going to do this. We are going to do these things, but that is not going to solve all the problems and all these issues are not going to be address with \$3.3 million.

Councilor Heistad said that the Council has been in a vacuum since last year. The Council has not done anything on these renovations and has not heard anything on it. Now, the drawings are 50% complete, and it does not feel good because it is not what the Council thought it bought into, noting that if the City wants to save money, the Council needs to think about a bid that goes out in November for next year (2020).

Mayor McNamara said the last time the Council talked about this was on November 29, 2018. The Council had schematic drawings and pricing based on those schematic drawings. We are just at 50% design drawings now with 100% design drawings hopefully being done by July 4, 2019 to go out to bid. He felt there has been a big gap between now and November 29<sup>th</sup> and felt the Council does not have adequate time to look at this level of detail. He would like to more time to review the plans and felt that if the City could keep this building going for another winter, by getting the roof done this year, and maybe the boiler before we get into the cold month this winter, then the City can bid out whatever the Council feels is a more favorable bidding environment. He could not support moving this to a public hearing on July 24, 2019 because he could not explain and defend this appropriation request to a taxpayer.

Councilor Hill discussed the places the public interacts within City Hall and the public bathrooms. She asked the Council to consider what the high track areas were in the building, because it is the people who are using and paying for these renovations. She said it would be difficult to explain to taxpayers why so much money is being spent on this project when less was being spent on the sewer interceptor project.

Assistant Mayor Below said he was concerned about cutting the original budget approved in November 2018 because he is now looking at the building holistically. The City Manager has allowed him to have more opportunity to be involved with this project. He has seen the project develop and the complexity of how the work is sequenced has become apparent. The citizens, 100 years ago, made a major investment in this building and we are now the stewards of this public resource. We are at the point where the building is approaching 100 years and there are a lot of things that need to be addressed. Many of the items this plan addresses are not just short-term fixes and not just for the current employees of the building – they are to make this building last another 100 years. There has also been a lot of work in developing a plan to make the space work efficiently for the people who work in the building day-to-day. Part of what the Resilient Buildings Group study shows is that there are serious environmental quality issues that this plan would address (e.g., \$0.5 million for ventilation-related improvements to the building). What the City Manager is trying to achieve is to get a package that mostly addresses needs. He has also observed the engagement of the architect with the departments to define a lot of the details of how the spaces would work more efficiently for employees and for the public who interacts with the employees. He would like to look more comprehensively at the large portion of the envelope and explained his reasonings why it would be hard to do the energy improvements without doing the space improvements. His preference would be to go ahead and consider the additional appropriation and felt there is some wisdom in seeing how much of this could be put off a bit so that the Council can look at this during the normal CIP process to get a more comprehensive package. There are a lot of things that need to be done to bring City Hall up to code and investments that need to be made to make the building work in the long run (i.e., the drainage, and the foundation moisture).

The impact on construction costs and what time of the year bidding should go out was discussed.

Councilor Hill asked how much it would cost to do the roof, the insulation, and if everything needs to be removed out of Council Chambers in order to do the insulation. Mr. Mulholland said that part of the price escalation is because there is more asbestos than what was anticipated in the building that has to be removed. Councilor Below said that additional investigation revealed there are some awkward places where asbestos was found and it is easier to deal with this if spaces are as vacated as possible, noting that there is asbestos in the glazing compound on the windows. Councilor Hill said that while asbestos is important to deal with, every single one of Lebanon's schools, except for the new Middle School, is full of asbestos and every single one of Lebanon's schools has more people working in, and more children, occupying those buildings.

***Councilor Below MOVED, that the Lebanon City Council hereby schedules a public hearing for Wednesday, July 24, 2019, beginning at 7:00pm in Council Chambers, City Hall, for the purpose of receiving public input and taking action to appropriate \$2,822,000 (Two Million Eight Hundred Twenty-Two Thousand Dollars) for the balance of City Hall Renovations; and to authorize the issuance of bonds/notes in accordance with the Municipal Finance Act (RSA 33).  
Seconded by Councilor Bronner.***

**Council Comments:**

Councilor Bronner said the location of Council Chambers does not bother him and felt the people in this building deserve better than the basement. In trying to separate the phases the City would end up doing a lot of the work twice. It is counterproductive to do half the job and then try to come back and do it at a later date. He said he does not like the idea of spending another \$2 million in a special appropriation and would like to see that figure paired down if possible. Addressing the boilers upfront is a good idea, because it is an important piece of the building and questioned where the air quality report was coming

from. Mr. Mulholland said this was done through testing and Councilor Below spoke to studies that have been done regarding CO2 levels and employee productivity.

Councilor Winny said he does not have any problems with the work proposed but the challenge for him is the extra money. He is not opposed to a public hearing, but is uncertain if the Council will have answers by July 24<sup>th</sup>, noting there are a lot of questions on what was discussed and it would be good to have answers to those before the public hearing.

In response to Councilor Bronner's questions, Mr. LaCombe said the amount of money spent to date out of the \$3.3 million appropriated is just shy of \$290K, but not all of this has been expended yet. This amount also includes their services during construction and explained what their services included.

Councilor Hill suggested that the Council remember that in March, the voters of Lebanon did not pass a major renovation project for the Elementary School in West Lebanon and the High School and Elementary School in Lebanon, which included major safety improvements. In this context, if a Public Hearing took place to consider a Special Appropriation, she felt the Council would appear to be tone deaf.

Councilor Prentiss said the Council laid out a plan last December, the Council agreed on an amount, and we are now back here having a conversation about a Supplemental Appropriation. She said that some of urgent things can be covered by the funds already been appropriated and felt strongly that Supplement Appropriations are not okay. We should do the things we said we were going to do and then come back and finish the rest. She cannot support this tonight and cannot support this after a Public Hearing. Let's fix the urgent issues.

Mayor McNamara said he does not support the Supplemental Appropriation because the Council has not had enough involvement at this point. He felt having a Public Hearing is not appropriate yet. The Council needs more discussion and at least 1 or 2 Work Sessions because the time frame was being compressed too much.

***\*The Vote on the MOTION failed (4-4).***

**The Public Hearing will not move forward on July 24, 2019.**

Mayor McNamara asked the Council if they wanted the architects to continue finishing the plans and put the whole design out to bid.

Mr. LaCombe said that the base bid would be adjusted to the Council's priority list and include the roof, lights, safety, structural work, and would add the other renovations as alternates so that when the bids come in the City would have a choice about what could be included within the funds allocated back in December. Mayor McNamara asked if a larger boiler could be installed at an earlier phase and Mr. LaCombe said that could be done. He informed the Council that bids should be back by the first 1-2 weeks in August 2019.

Councilor Hill explained the process being used for the tunnel project, noting what was communicated to the Council at the beginning of its project, the Council's walk through the site, stakeholder meetings, where the project was at 30%-40% and 90% design completion, to make sure everyone was on the same page. She said this particular process has gone from 0 to almost 100% completion without any chance for the Council to give feedback. She felt this was part of the frustration that is going on and would

appreciate the opportunity to have some input into the design of what City Hall is going to look like at the end.

**Councilor Prentiss MOVED that meeting be extended to 10:10 PM minutes. Seconded by Councilor Heistad.**

**\*The Vote on the MOTION passed unanimously (8-0).**

The Council agreed that a Work Session(s) should take place before the Budget Sessions begin.

For the record, Councilor Prentiss said this is the most money that has ever been put into City Hall and we should have put more in sooner. She wanted to be clear that she is not opposed to moving Planning & Zoning and moving Council Chambers downstairs, it is just the sequencing of that she has a concern with.

The Council had more discussion regarding the interior design and what the priority list should that would go out in the bidding.

Mr. Mulholland said that the Council has an appropriation that was made back in December 2019 which authorized him to spend money. If something different is going to be done, he wanted a full Motion as to what it is, exactly, the Council would like him to do. Since there is a plan in motion, and until he gets directions from the Council to do something different by form of a motion, he intends to implement that plan as he said he would do back in December. In response to Councilor Hill's question about what plan he intends to implement, Mr. Mulholland said that as he explained back in December, this is the same design plan that the Council went over in December when the Council approved the \$3.3 million. We had discussions about what was going to be done and nothing has changed. In response to Councilor Hill's comment that this plan cannot stand alone for \$3.3 million, Mr. Mulholland said yes it can, and that is what we are going forward to do now. When this goes out to bid, the base price will be the things that were involved in the \$3.5 million dollars. Then, if a Supplemental Appropriation is approved, the other work will be done. If not, we will do the \$3.5 million as originally planned.

Mr. Mulholland also said that during the renovations the Council will be meeting at the school through December, noting that the work schedule for the \$3.5 million will be completed the first week of December.

Councilor Hill said that Mr. Mulholland presented to the Council that the most compelling, urgent issues were environmental air quality, safety and also structural issues of the building. Mr. Mulholland concurred. Councilor Hill said that the Council appropriated \$3.3 million in good faith based on Mr. Mulholland's representation about what his most pressing priorities were. Mr. Mulholland concurred. Councilor Hill said that what she is hearing now is that the \$3.3 million is going to get us part of the way there, but that he is leaving one of his most pressing priorities off the table until more funds are appropriated. Mr. Mulholland said yes, because he cannot do everything.

Mayor McNamara said his concern is that the Council will not be moving into a space that is broom-clean downstairs, with no paint, the old lights and the old carpet. He did not like the idea that more funds would be needed to renovate the Planning space for the Council Chambers and called for a motion that modifies what is going to be done for the \$3.5 million to include what the Council talked about and moving IT.

**Councilor Hill *MOVED* that the City Council appropriation in the 2019 City Budget for City Hall renovations be put out to bid for the following items: All work related to the roof including the roofing itself, the structural improvements, the insulation of the roof, the upfitting of the former Recreation Department for the IT staff, and adding a new boiler.**

***Seconded by Councilor Bronner.***

***\*The Vote on the MOTION passed (7-1). Councilor Below opposed.***

**10. REPORTS**

**A. City Manager: No report.**

**B. Council Representatives to other bodies. No report.**

**11. FUTURE AGENDA ITEMS: None.**

**12. NON-PUBLIC SESSION: None.**

**13. ADJOURNMENT:**

***Councilor Prentiss *MOVED* for adjournment.***

***Seconded by Councilor Bronner.***

***\*The Vote on the MOTION passed unanimously (8-0).***

**The meeting was adjourned at 10:08 PM.**

Respectfully submitted,

Dona E. Gibson

Recording Secretary