

FINAL

**LEBANON CITY COUNCIL  
MINUTES, REGULAR SESSION  
Council Chambers - City Hall  
Wednesday, October 16, 2019  
7:00 p.m.**

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

**MEMBERS ABSENT:** None

**STAFF PRESENT:** City Manager Shaun Mulholland, Deputy City Manager Paula Maville, Planning & Zoning Director David Brooks, Public Works Director Jim Donison, Assessing Clerk Marlene Boisclair, Chief Assessor Rick Vincent, Fire Chief/Interim Airport Director/Emergency Management Director Chris Christopoulos, Human Services Director Lynne Goodwin

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

- 1. PLEDGE OF ALLEGIANCE:** Councilor Hill led the Council in the Pledge.
- 2. PUBLIC FORUM:** Mayor McNamara made the Public Forum announcement.
- 3. OPEN TO PUBLIC:** No members of the public came forth.
- 4. RECOGNITIONS:** None
- 5. ACCEPTANCE OF MINUTES:** October 2, 2019

***Councilor Prentiss MOVED to approve the October 2, 2019 (Regular Session) Minutes as written and included in the October 16, 2019 agenda Packet.***

***Seconded by Councilor Sykes.***

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

**6. APPOINTMENTS:** None

**7. PUBLIC HEARING ITEMS:**

- A. LEBANON / ENFIELD INTERMUNICIPAL AGREEMENT FOR WASTEWATER TREATMENT SERVICES:** Public Hearing of the purpose of receiving public input and taking action to authorize the City Manager to enter into an Intermunicipal Agreement with the Town of Enfield for the continued provision of Wastewater Treatment Services for Enfield residents/businesses.

Mr. James Donison came before the Board representing the Lebanon/Enfield Intermunicipal Agreement for Wastewater Treatment Services.

The existing Intermunicipal Agreement (IMA) between the City of Lebanon and the Town of Enfield has expired. City Administration met with representatives from the Town of Enfield to finalize an updated IMA. A draft of this agreement that outlines changes were included in the October 16, City Council Regular Session agenda packet.

Enfield is currently allowed up to 300K gallons per day average wastewater flow to the City, or a maximum of 1.38 million gallons. They are presently flowing about 77-87K per day, which is less one third of the capacity in the agreement. This is a 10-year agreement. One of the items included in the agreement is to have more inspections with City involvement to address odor control issues.

Mayor McNamara noted, and Mr. Donison confirmed, that Enfield is responsible to the State of New Hampshire for any inflow and infiltration issues and Enfield has to maintain their system in a way that minimize these issues.

Mayor McNamara reminded the Council that the 300K gallons does not mean the City is reserving that capacity for Enfield, they are simply able to utilize that amount of capacity.

Councilor Hill asked if PFOAs were discussed, and Mr. Donison said they were not. Councilor Hill said the City is anticipating that there may be more rigorous PFOA Standards coming and asked Mr. Donison if the City would have the ability to make sure that Enfield is tracking their own. Mr. Mulholland explained how test samples would be done for sludge entering the City's systems and noted that Enfield has to meet the same requirements that everybody else does and if they do not, the City has the right to not accept their sludge. Presently there are no State Standards for PFOAs but these will be coming. PFOAs also fall under the NH DES standards.

Mr. Donison did not know the answer to Councilor Below's question regarding what Enfield's 5-day BOD average has been compared to the limit in the agreement.

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

**ACTION:**

***Councilor Bronner MOVED, that the Lebanon City Council authorizes the City Manager to enter into an Intermunicipal Agreement with Town of Enfield for the continued provision of wastewater treatment services for Enfield residents/businesses. The agreement will take effect upon approval by the New Hampshire Attorney General.***

**Seconded by Councilor Prentiss.**

**\*The Vote on Motion passed (9-0).**

Following the public hearing, the document will be forwarded to the Attorney General for approval. Agreement will not take effect until it is approved by the Attorney General in accordance with NH RSA 53-A:3.V.

**8. OLD BUSINESS**

**A. Westboro Yard: City Manager Mulholland**

He reached out to the Rail Bureau of the NH DOT for an update, but they did not have one yet. It will take a while before the City gets an answer because of the number of DOT Divisions this will need to go through. He also spoke about the back door budget cuts that will be taking place and hope Westboro Yard would not be included in these cuts.

## **9. NEW BUSINESS**

### **A. Presentation by David Tille, New England Regional Administrator, US Department of Housing and Urban Development: Mayors Challenge to end Veterans Homelessness**

Mr. David Tille, New England Regional Administrator for the US Department of Housing and Urban Development, and Ms. Lynne Goodwin, Lebanon's Human Resources Director came before the Council to present and discuss the above program.

Ms. Goodwin stated the Mayor Challenge is a call to action for all Mayors to publicly commit to making sure that every veteran who served America has a home in America. After discussing this program with other Human Service providers in our area, she felt this is something that Lebanon should take on. Shelley Hadfield helped to get this initiative in motion.

Mr. Tille said this program addresses veteran issues from homelessness, lead abatement, and everything to do with Fair Housing. Northern New England states are making tremendous strides to effectively end veteran's homelessness. This initiative is trying to achieve the goal of taking care of our Veterans and effectively ending their homelessness and described the supportive services that are needed by Veterans (e.g., addiction issues, finding a job, health issues, and other issues they may be facing). Mayors can be involved by helping to open the door for landlords, promoting educational services available in cities, and in the education of the 211 Hot Line. The 211 Hot Line not only helps with access to housing but also helps in suicide prevention, mental health and vocational needs. He felt very strongly that any veteran who has served America should never be forced to sleep on the streets, noting that we can all make a difference together. He reviewed all the New Hampshire cities who have accepted this challenge.

Mr. Tille said there are no financial obligations for the City of Lebanon, but the City could help with landlord awareness by getting them onboard by helping homeless veterans and helping with the education in the 211 Program.

Ms. Goodwin said that successful housing is a 3-legged stool: First you need the bricks and mortar house, then you need the housing voucher/funds to pay for that house, and then you need supportive services. What is needed is for landlord's to be willing to take a risk on folks, who may have a poor tenant history, and, in the absence of vouchers, help to pay a veteran's rent by coming down on rental costs that their pensions can cover.

Mr. Tille explained the BASH Program to the Council. The Council discussed the BASH Program; if there was a way in the future that a veteran's landlord could apply for a tax exemption related to the portion of that property occupied by a Veteran; being proactive on the part of City Government related to any programs that deal with housing and factoring in an incentive/policy change(s) to help veterans; the symbolic awareness of the Mayors Challenge initiative and being as creative as possible; and, the number of number of veterans identified in 2018 Grafton County.

**ACTION:**

***Councilor Hill MOVED, that the Lebanon City Council hereby authorizes Mayor McNamara to sign onto the Mayors Challenge to end Veteran’s Homelessness on behalf of the City of Lebanon. Seconded by Councilor Prentiss.***

***\*The Vote on the Motion passed unanimously (9-0).***

**B. Release of Collected Public School Impact Fees (not published in the agenda packet)**

A Memorandum of the Understanding (MOU) between the City and Lebanon School District (September 30, 2019) provided the City would transfer once each quarter of the calendar year all collected Public Schools Impact Fees to the Lebanon School District for application toward the payment of debt on the new middle school.

To date, \$197,029.02 has been disbursed to the Lebanon School District.

This request is for the City Council to authorize disbursement of \$11,875.50 in collected Public School Impact Fees (through 10/2/2019) to the Lebanon School District.

**ACTION :**

***Councilor Hill MOVED that in accordance with Section 213.10 (Administration of Impact Fees) of the Lebanon Zoning Ordinance, the City Authorizes disbursing the sum of \$11,875.50 in collected Public Schools Impact Fees to the Lebanon School District to be applied toward the payment of debt on the new middle school located at the intersection of Moulton Avenue and Route 4 consistent with the September 2010 Memorandum of Understand Between the City of Lebanon and the Lebanon School District, SAU 88.***

***Seconded by Councilor Below.***

***\*The Vote on the Motion passed unanimously (9-0).***

**C. Review of Current Elderly Tax Exemptions & Veterans Tax Credits**

Mr. Mulholland recused himself from this portion of the meeting because he is a Veteran.

Ms. Marlene Boisclair (Assessing Clerk) and Mr. Rick Vincent (Chief Assessor) came before the Board regarding the above Elderly Tax Exemptions and Veterans Tax Credits.

**Elderly Exemptions:** The last time the current Elderly Exemptions were reviewed was on February 7, 2001. The current limit is a maximum of \$36,800 annually for both single people and married couples. We are the only community that the same income limit for single or married couples. The recommendation is to increase the income limit for married couples to \$50K.

According to the City’s 2019 MS-1 Report, there are presently 84 residents receiving an elderly exemption, 23 elderly I (ages 65-74), 10 elderly II (ages 75-79) and 51 elderly III (ages 80 and above), resulting in \$8,372,200 in reduced assessed value.

**Veterans’ Tax Credits:** Standard Veterans’ Tax Credit was enacted on September 15, 1993. In reviewing the credit amounts currently provided to our veterans under the standard tax credit provision, at \$100, Lebanon is the lowest of the 13 communities studied. According to the City’s 2019 MS-1 Report, Lebanon currently awards a \$100 credit to 313 veterans, resulting in an estimated \$31,300 in annual tax credits. Their recommendation is to increase these funds to \$250.

**Veterans’ Service-connected Disability Tax Credit:** This was enacted by the State Legislature in June 2018. The City’s veterans’ service-connected disability tax credit, currently set at \$1,400, is equal to four (4) of the surveyed communities. Eight of the communities provide a \$2,000 credit, and 1 provides a \$700 credit. It is felt that \$1,400 is in-line with other communities.

According to the City’s MS-1 Report, Lebanon currently awards the veterans’ service-connected disability credit to 17 veterans or their surviving spouses. This results in an estimated \$23,800 credited annually.

**All Veterans’ Tax Credit:** In June 2018, the State enacted an optional all veterans’ tax credit. This credit has not been adopted by the City Council. The qualifications for this credit are less limiting than the standard veterans’ credit in that the applicant need not have served in a qualifying war or conflict nor have earned a qualifying medal as stipulated by NH Statute. If the Council were to adopt this credit, we would propose that the amount be equal to the standard veterans’ credit. Veteran applicants who qualify to receive a veterans’ credit will either qualify under the standard veterans’ credit or all veterans’ credit, but not both. They recommended this Tax Credit be \$250, the same as the Veterans Tax Credit above.

In response to Councilor Sykes question regarding income qualifications, Ms. Boisclair said income is from all sources including Social Security and Pensions.

Councilor Hill requested to know how much the funds were in collected taxes for these exemptions that Lebanon residents would have to make up for. She was informed that all Service Credits for 2018, which included disability was \$ 60,400. She was informed that total credits for the Elderly and all Service Credits were around \$143K. In the tax rate, both the Elderly and all Service Credits are wrapped into one number. She noted that it was interesting that the elderly have income sensitivity on their property taxes that no one else does.

## **ACTIONS:**

### **1. ELDERLY EXEMPTION:**

***Councilor Winny MOVED, that the Lebanon City Council, in accordance with NH RSA 72:39-b, hereby increases the net income limits for elderly married couples from \$36,800 (Thirty-Six Thousand Eight Hundred Dollars) to \$50,000 (Fifty Thousand Dollars). Net income limits shall be determined in accordance with NH RSA 72:39-a.***

***Seconded by Councilor Hill.***

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

### **2. STANDARD (OPTIONAL) VETERANS’ TAX CREDIT:**

***Councilor Prentiss MOVED, that the Lebanon City Council, in accordance with NH RSA 72:28, hereby increases the Standard (Optional) Veterans’ Tax Credit from \$100 (One Hundred Dollars) to \$250 (Two Hundred Fifty Dollars).***

***Seconded by Councilor Bronner.***

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

### **3. ALL VETERANS’ TAX CREDIT:**

**Councilor Sykes MOVED that be IT HEREBY BE RESOLVED, that the City of Lebanon, in accordance with NH RSA 72:27-a, hereby adopts the provisions of RSA 72:28-b, All Veterans' Tax Credit. The tax credit will be in the amount of \$250 (Two Hundred Fifty Dollars) which is the same amount as the Standard (Optional) Veterans' Tax Credit; and qualifications for the tax credit shall be as stipulated in RSA 72:28-b.IV. Any person desiring to claim the credit will be required to file an application with the assessors by April 15 of the tax year**

***Seconded by Councilor Prentiss.***

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

**City Manager Mulholland returned to the meeting.**

**D. Authorization for City Manager to Execute Lease Agreement with Alpha Sierra, LLC and Granite Air Center**

Interim Airport Manager Chris Christopoulos came before the Council representing the above lease agreement. He recognized Mr. Greg Soho and Mr. Jason Archambeault, the co-owners of Granite Air.

Granite Air Center, LLC has held a lease at the Municipal Airport since 2012. Their current lease expired in 2016, so they are currently operating under the ten (10) year extension clause contained in the lease. Terms have been successfully renegotiated and can be found in the attached lease agreement as provided in the agenda packet. Renegotiated terms include, but are not limited to:

- Lease is now a “Ground Lease” (Formerly a Lease and Operating Agreement).
- Updated leasehold area of 208,958 square feet. The actual square footage has recently been surveyed. A lot line adjustment will be submitted to the Planning Board for approval.
- Increased lease rate of \$0.234 per square foot (formerly \$0.06 per square foot) to be paid in monthly rent payments totaling approximately \$4,074.68 per month retroactive to July 1, 2019.
- The lease is retroactive to July 1, 2016.
- Monthly ground rent will be adjusted annually on the anniversary of the Commencement Date of the Lease (July 1st) based on the CPI-U for the month of April.
- Rate of ground rent will be evaluated every five (5) years to ensure it is fair and reasonable considering economic conditions and market values. Rents will be adjusted accordingly and be effective on July 1st of the applicable year.
- Term of lease is 33 years (expiring June 30, 2049 no automatic extensions).
- Leased premises will revert to the City upon expiration or termination of the lease. At such time, tenant shall either convey improvements to the City or raze and remove them from the site.
- Further, Granite Air Center will be required to license 197, 867 square feet of land on the North Ramp at a rate of \$0.234 per square foot to be paid in monthly rent payments totaling approximately \$3,858.41 per month retroactive to July 1, 2019.

**ACTION:**

**Councilor Hill MOVED, that the Lebanon City Council hereby authorizes the City Manager to execute the lease agreement with Alpha Sierra, LLC (Tenant) and Granite Air Center, LLC (Tenant's Affiliate) as presented in the October 16, 2019 City Council Agenda Packet.**

***Seconded by Councilor Winny.***

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

**E. Bright Side Brewing Lease**

Authorization for City Manager to Execute Lease & Operating Agreement with Bright Side Brewing, LLC for a nano-brewery and restaurant at the Lebanon Municipal Airport (Terminal Building)

**Interim Airport Manager Chris Christopoulos came before the Council in the above manner.**

As of October 7, 2019, the terms have been successfully negotiated and the lease and operating agreement can be found in the October 16, 2019 agenda packet. Negotiated terms include, but are not limited to:

- Lease area is 2,018 of space on the north end of the terminal.
- Lease rate of \$6.00 per square foot equaling \$12,108 per year, payable at \$1,009 per month and will include pro-rated utilities.
- The lease will be effective when Bright Side Brewing receives their State of New Hampshire licensing (expected in November 2019).
- Monthly ground rent will be adjusted annually on July 1st based on the CPI-U for the month of April.
- Term of lease is 3 years with two additional optional three-year extensions.
- Tenant shall be responsible for payment of all real estate or personal property taxes (approximately \$5,400 per year).
- Tenant shall be responsible for their pro-rated share of utilities for the terminal building, except water and sewer which will be direct billed to the tenant.

Mr. Christopoulos informed the Council that the timing of this agreement is a little iffy because they wanted to have the time to execute the lease after the Brewery had the time to outfit the restaurant space. Once this has been done, applications for both Federal and State liquor licenses will be submitted. Once they have been obtained, the lease will hopefully be executed.

**Councilor Prentiss *MOVED*, that the Lebanon City Council hereby authorizes the City Manager to execute the Airport Restaurant Lease and Operating Agreement with Bright Side Brewery, LLC as presented in the October 16, 2019 City Council Agenda Packet. *Seconded by Councilor Sykes.***

The Council expressed their appreciation and thanks to Mr. Christopoulos. After 13 years of discussions, things are finally getting done.

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

**F. Ordinance #2019-13**

Discussion and set Public Hearing for November 6, 2019: Ordinance #2019-13 to amend City Code Chapter 11, Alarms, to increase the fee for Alarm User Permits.

Fire Chief Chris Christopoulos came before the Council representing the amendment to Ordinance #2019-13, City Code Chapter 11.

In 2006, the City of Lebanon amended Chapter 11 to implement a fee structure for alarm users who are monitored by Lebanon Public Safety Communications. Alarm users include those that are part of the city-owned municipal fire alarm system, and those that have private fire and burglar alarms. Currently, the system monitors over 300 alarms at a rate of \$250 per year. This fee does not account for city maintenance costs for the municipal fire alarm system.

**Proposed Change**

The new language in Chapter 11 proposes to raise the fee for commercial users to \$500 per year. Based on current alarm user numbers this will raise \$157,000 or an additional \$78,500 over current annual revenue. This accounts for approximately 75% of the Fire Alarm Budget in the Fire Department. (Note: we do not charge city departments a monitoring fee.) The municipal fire alarm system maintenance is approximately 78% of the Fire Alarm Budget. The fee for residential monitoring would remain at \$250 per year.

**Justification**

- Fees have not been updated since 2006.
- The costs for a private 3rd party vendor for alarm monitoring would be \$336 per year plus \$80 per month for a dedicated phone line equaling \$1320.00 per year.
- Additional revenue will help fund the current and future maintenance of the aging system.

**ACTION:**

***Councilor Bronner MOVED, that the Lebanon City Council hereby schedules a public hearing for Wednesday, November 6, 2019, beginning at 7:00pm in Council Chambers, City Hall, for the purpose of receiving public input and taking action on proposed Ordinance #2019-13, to amend City Code Chapter 11, Alarms, to update fees for Commercial Users.***

***Seconded by Councilor Prentiss.***

***\*The Vote on MOTION passed unanimously (9-0).***

**10. REPORTS**

**A. City Manager:**

Mr. Mulholland reported on the following:

- Greenway cleanup taking place on October 26<sup>th</sup>.
- Reminded Councilors to bring their laptops to the October 23<sup>rd</sup> meeting.
- West Lebanon Charrette taking place on Friday & Saturday, October 18 & 19.
- Personnel position updates.

**B. Council Representatives to other bodies: No reports.**

**11. FUTURE AGENDA ITEMS: None**

**12. NON-PUBLIC SESSION:**

**A. Non-Public Session**

**RSA 91-A:3.II(1): “Consideration of legal advice provided by legal counsel, either in writing or orally, to one or more members of the public body, even where legal counsel is not present.”**

***Councilor Prentiss MOVED to go into a Non-Public Session at 8:15 PM.***

***Seconded by Councilor Zook.***

***Roll Call Vote:***

***Mayor McNamara, Assistant Mayor Cliff Below, Councilors Suzanne Prentiss, Bruce Bronner, Erling Heistad, Karen Liot Hill, George Sykes, Jim Winny, and Karen Zook all voting YES.***

***None voted NAY.***

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

Staff present at the non-public session were City Manager Shaun Mulholland and Deputy City



Manager Paula Maville.

Council discussed the consideration of legal advice from Attorney Adele Fulton regarding the filing of an Amicus Curiae in the PFAS litigation filed by RMI and the Plymouth Water District against the State of New Hampshire.

***Councilor Prentiss MOVED to come out of the non-public session.  
Seconded by Councilor Bronner.***

***Roll Call Vote:***

***Mayor McNamara, Assistant Mayor Cliff Below, Councilors Suzanne Prentiss, Bruce Bronner, Erling Heistad, Karen Liot Hill, George Sykes, Jim Winny, and Karen Zook all voting YES.***

***None voted NAY.***

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

**Council went out of non-public session at 8:50 PM.**

### **13. ADJOURNMENT:**

***Councilor Bronner MOVED for adjournment.***

***Seconded by Councilor Hill.***

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

***The meeting was adjourned at 8:52 PM.***

Respectfully submitted,  
Dona E. Gibson  
Recording Secretary