

FINAL

**CITY OF LEBANON
CITY COUNCIL SESSION
Minutes, Wednesday, December 19, 2018
City Hall – Council Chambers
7:00 p.m.**

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

MEMBERS ABSENT: None

STAFF PRESENT: City Manager Shaun Mulholland, Deputy City Manager Paula Maville, Planning & Zoning Director David Brooks, Public Works Deputy Director Bruce Temple, Public Works Administrative Services Manager Kelly Crate, Public Works Assistant Director Jay Cairelli, City Engineer Christina Hall, Finance Director Len Jarvi, City Clerk Sandra Allard, Fire Chief Chris Christopoulos, Recreation Director Paul Coats, Airport Manager Rick Dymont, Library Director Sean Fleming, Human Services Director Lynne Goodwin, Information Services Director Josh Kahan, Public Works Director James Donison, Deputy Finance Director Vicki Lee, Police Chief Richard Mello, Assistant Fire Chief Jeff Libby, Energy and Facilities Manager Tad Montgomery, GIS Coordinator/Senior Planner Mark Goodwin, Chief Assessor Rick Vincent, Human Resources Director Gloria Leskiewicz

The December 19, 2018 Lebanon City Council Meeting was called to order at 7:00 p.m. by Mayor Suzanne Prentiss.

I. PLEDGE OF ALLEGIANCE--City Manager Shaun Mulholland led the Council in the Pledge.

II. PUBLIC FORUM ANNOUNCEMENT BY THE MAYOR

Mayor Prentiss made the announcement inviting any member of the public who desires to speak on any item that is not on the agenda. Any member of the public who desires to speak on any item that is on the agenda may do so when the item is taken up by the Council and will be allowed to speak on the subject for not more than three minutes.

No members of the public spoke at this time.

Councilor Hill reminded the public that City Council rules require that comments that are given to the City Council must be attributed to the Lebanon resident providing the comment. Anonymous comments are difficult for the Council to address due to the rules and it may appear the Council is not responsive.

III. PUBLIC HEARING ITEMS

Mayor Prentiss opened the public hearing. Hearing no comment, she closed the public hearing.

A. AMEND ORDINANCE NO. 18, SALARY PLAN (NEPBA)

A public hearing for the purpose of receiving public input and taking action to amend Ordinance #18, Salary Plan, Article III, Bargaining Unit Employees, Lebanon (New England) Police

Benevolent Associations (NEPBA), by replacing the current language with "Employees covered by the terms and conditions of the successor collective bargaining agreement between the City of Lebanon and the Lebanon Police Benevolent Association (NEPBA), as provided in that agreement, and as placed on file in the office of the City Clerk, shall be paid in accordance with the accompanying pay plan for the first pay period of 2019 (12/23/18) to the last pay period of 2019 (12/21/19).

City Manager Mulholland addressed the salary plan changes in the four amendments to Ordinance 18. He said they worked with four different collective bargaining units on contracts this year and have reached three year agreements. He is asking to amend Ordinance 18. This proposal resulted from work with the Police Union. The agreement and those that follow, set forth salary increases of 2.6% for this year based on 1.3% CPI as of June and a range of 1.5% to 3% depending on the CPI for the year, for the next two years. The previous health insurance increased 14.7% in one year. Working with the unions they were able to change the health insurance to high deductible plans effective 1/1/19. This allowed the City to decrease the proposed budget even with the new salaries. The new health insurance will be a reduction to the overall budget.

Mayor Prentiss opened the public hearing. Hearing no comments from the public, she then closed the public hearing.

Mayor Prentiss reminded the Councilors and the public that this is not the first time the Council has heard this proposal. This is the final step in the process.

Councilor Bonner MOVED, that the Lebanon City Council recognizes the third of three presentations to amend Ordinance No. 18, Salary Plan, Article III, Bargaining Unit Employees, Lebanon Police Benevolent Association (New England Police Benevolent Association), by replacing the current language with “Employees covered by the terms and conditions of the collective bargaining agreement between the City of Lebanon and Lebanon Police Benevolent Association (New England Police Benevolent Association), as provided in that agreement, and as placed on file in the office of the City Clerk, shall be paid in accordance with the accompanying pay plan for the first pay period of 2019 (12/23/18) to the last pay period of 2019 (12/21/19).”

RESOLVED, that the Lebanon City Council ratifies the collective bargaining agreement between the City of Lebanon and Lebanon Police Benevolent Association (New England Police Benevolent Association) and further authorizes amending Ordinance No. 18, Salary Plan, Article III, Bargaining Unit Employees, by replacing the current language with “Employees covered by the terms and conditions of the collective bargaining agreement between the City of Lebanon and Lebanon Police Benevolent Association (New England Police Benevolent Association), as provided in that agreement, and as placed on file in the office of the City Clerk, shall be paid in accordance with the accompanying pay plan for the first pay period of 2019 (12/23/18) to the last pay period of 2019 (12/21/19).”

APPENDIX C - POLICE SALARY GRADE S							
Lebanon Police Benevolent Association (NEPBA) -- 2019 Salary Grades						2.6%	
Position Title	Minimum Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Maximum Step 7
Patrol Officer	\$26.04	\$26.93	\$27.85	\$28.77	\$29.67	\$30.60	\$31.41
Corporal	\$32.10	\$32.54	\$33.01	\$33.46	\$33.92	\$34.39	\$34.81
Sergeant	\$35.49	\$35.94	\$36.40	\$36.85	\$37.32	\$37.77	\$38.18

BE IT FURTHER RESOLVED, that the cost items associated with the new labor agreement result in an estimated increase in wages and statutory benefits above the cost of the last labor agreement, at the current staffing level, of \$55,460 for 2019, \$127,480 for 2020 and \$217,910 for 2021, making the total

estimated cumulative wages and statutory benefits cost increases arising from the tentative collective bargaining agreement to be \$55,460 in 2019, \$182,940 in 2020 and \$400,850 in 2021, a total potential cumulative cost of \$639,250.

BE IT FURTHER RESOLVED, that estimated wage and statutory benefit costs for the first year (2019) of the three-year tentative labor agreement are expected to be offset by savings of \$68,550 resulting from a negotiated change in provided health program coverage.

This Resolution shall be effective upon passage.

Seconded by Councilor Hill.

**Motion passed 9-0.*

B. AMEND ORDINANCE NO. 18, SALARY PLAN (LPASE)

A public hearing for the purpose of receiving public input and taking action to amend Ordinance No. 18, Salary Plan, Article III, Bargaining Unit Employees, Teamsters #633/LPASE, by replacing the current language with "Employees covered by the terms and conditions of the successor collective bargaining agreement between the City of Lebanon and Teamsters #633/LPASE as provided in that agreement, and as placed on file in the office of the City Clerk, shall be paid in accordance with the accompanying pay plan for the first pay period of 2019 (12/23/18) to the last pay period of 2019 (12/21/19)."

City Manager Mulholland addressed the salary plan changes as previously discussed. This is the Supervisory and Technical Employees Collective Bargaining Unit. The new health insurance will allow the City to decrease the proposed budget even with the new salaries.

Mayor Prentiss opened the public hearing. Hearing not comments from the public, she then closed the public hearing.

Mayor Prentiss reminded the Councilors and the public that this is not the first time this proposal has been before the Council.

Councilor Below MOVED, that the Lebanon City Council recognizes the third of three presentations to amend Ordinance No. 18, Salary Plan, Article III, Bargaining Unit Employees, Teamsters #633/Lebanon Professional, Administrative and Salaried Employees, by replacing the current language with "Employees covered by the terms and conditions of the collective bargaining agreement between the City of Lebanon and Teamsters #633/Lebanon Professional, Administrative and Salaried Employees, as provided in that agreement, and as placed on file in the office of the City Clerk, shall be paid in accordance with the accompanying pay plan for the first pay period of 2019 (12/23/18) to the last pay period of 2019 (12/21/19)."

RESOLVED, that the Lebanon City Council ratifies the collective bargaining agreement between the City of Lebanon and Teamsters #633/Lebanon Professional, Administrative and Salaried Employees and further authorizes amending Ordinance No. 18, Salary Plan, Article III, Bargaining Unit Employees, by replacing the current language with "Employees covered by the terms and conditions of the collective bargaining agreement between the City of Lebanon and Teamsters #633/Lebanon Professional, Administrative and Salaried Employees, as provided in that agreement, and as placed on file in the office of the City Clerk, shall be paid in accordance with the accompanying pay plan for the first pay period of 2019 (12/23/18) to the last pay period of 2019 (12/21/19)."

APPENDIX B - Teamsters #633/LPASE - 2019 Salary Grades									2.6%
Grade	Position Title	Minimum							Maximum
		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	
6	Branch Librarian Coordinator	\$24.20	\$25.21	\$26.22	\$27.23	\$28.25	\$29.22	\$30.24	
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	
	Reference and Young Adult Librarian	\$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	
	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	
	Children's Librarian	\$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	
	Reference and Technical Services Librarian	\$1,109.32	\$1,174.11	\$1,238.48	\$1,303.60	\$1,368.40	\$1,432.80	\$1,498.00	
10	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	
	Assistant Recreation Director	\$1,220.45	\$1,291.42	\$1,362.40	\$1,433.37	\$1,504.35	\$1,575.34	\$1,646.96	
	Code Enforcement Director	\$1,220.45	\$1,291.42	\$1,362.40	\$1,433.37	\$1,504.35	\$1,575.34	\$1,646.96	
	Fire Marshal	\$1,220.45	\$1,291.42	\$1,362.40	\$1,433.37	\$1,504.35	\$1,575.34	\$1,646.96	
	GIS Coordinator	\$1,220.45	\$1,291.42	\$1,362.40	\$1,433.37	\$1,504.35	\$1,575.34	\$1,646.96	
11	Senior Planner	\$1,220.45	\$1,291.42	\$1,362.40	\$1,433.37	\$1,504.35	\$1,575.34	\$1,646.96	
	City Engineer	\$1,342.40	\$1,420.67	\$1,498.93	\$1,577.20	\$1,655.46	\$1,733.75	\$1,812.02	
12	City Planner	\$1,342.40	\$1,420.67	\$1,498.93	\$1,577.20	\$1,655.46	\$1,733.75	\$1,812.02	
	City Assessor	\$1,368.71	\$1,448.63	\$1,528.53	\$1,608.43	\$1,688.33	\$1,768.24	\$1,848.19	
13	Deputy Fire Chief	\$1,368.71	\$1,448.63	\$1,528.53	\$1,608.43	\$1,688.33	\$1,768.24	\$1,848.19	
	Energy & Facilities Manager	\$1,368.71	\$1,448.63	\$1,528.53	\$1,608.43	\$1,688.33	\$1,768.24	\$1,848.19	
	Information Systems Manager	\$1,368.71	\$1,448.63	\$1,528.53	\$1,608.43	\$1,688.33	\$1,768.24	\$1,848.19	
	Police Lieutenant	\$1,368.71	\$1,448.63	\$1,528.53	\$1,608.43	\$1,688.33	\$1,768.24	\$1,848.19	
	Solid Waste Manager	\$1,368.71	\$1,448.63	\$1,528.53	\$1,608.43	\$1,688.33	\$1,768.24	\$1,848.19	
14	Maintenance Manager	\$1,396.33	\$1,477.79	\$1,559.23	\$1,640.69	\$1,722.12	\$1,803.57	\$1,885.02	
14	Police Captain	\$1,424.62	\$1,507.72	\$1,590.79	\$1,673.87	\$1,756.96	\$1,840.06	\$1,923.17	

BE IT FURTHER RESOLVED, that the cost items associated with the new labor agreement result in an estimated increase in wages and statutory benefits above the cost of the last labor agreement, at the current staffing level, of \$56,960 for 2019, \$120,678 for 2020 and \$201,047 for 2021, making the total estimated cumulative wages and statutory benefits cost increases arising from the tentative collective bargaining agreement to be \$56,960 in 2019, \$177,638 in 2020 and \$378,685 in 2021, a total potential cumulative cost of \$613,283.

BE IT FURTHER RESOLVED, that estimated wage and statutory benefit costs for the first year (2019) of the tentative three-year labor agreement are expected to be offset by savings of \$61,610 resulting from a negotiated change in provided health program coverage.

This Resolution shall be effective upon passage.

Seconded by Councilor Smith.

**Motion passed 9-0.*

C. AMEND ORDINANCE NO. 18, SALARY PLAN (IAFF)

A public hearing for the purpose of receiving public input and taking action to amend Ordinance No. 18, Salary Plan, Article III, Bargaining Unit Employees, Lebanon Permanent Firefighters Association Local 3197, by replacing the current language with "Employees covered by the terms and conditions of the successor collective bargaining agreement between the City of Lebanon and

the Lebanon Permanent Firefighters Association Local 3197 as provided in that agreement, and as placed on file in the office of the City Clerk, shall be paid in accordance with the accompanying pay plan for the first pay period of 2019 (12/23/18) to the last pay period of 2019 (12/21/19)."

City Manager Mulholland addressed the salary plan changes with the Firefighters Union. The negotiations resulted in the same three year terms that were achieved with the other bargaining units. The firefighters have also agreed to the high deductible health insurance plan. This resulted in a reduction to the overall budget.

Mayor Prentiss opened the public hearing. Hearing no comments from the public, she then closed the public hearing.

Councilor Hill MOVED, that the Lebanon City Council recognizes the third of three presentations to amend Ordinance No. 18, Salary Plan, Article III, Bargaining Unit Employees, Lebanon Permanent Firefighters Association Local 3197 of the International Association of Fire Fighters, by replacing the current language with "Employees covered by the terms and conditions of the collective bargaining agreement between the City of Lebanon and Lebanon Permanent Firefighters Association Local 3197 of the International Association of Fire Fighters, as provided in that agreement, and as placed on file in the office of the City Clerk, shall be paid in accordance with the accompanying pay plan for the first pay period of 2019 (12/23/18) to the last pay period of 2019 (12/21/19)."

RESOLVED, that the Lebanon City Council ratifies the collective bargaining agreement between the City of Lebanon and Lebanon Permanent Firefighters Association Local 3197 of the International Association of Fire Fighters and further authorizes amending Ordinance No. 18, Salary Plan, Article III, Bargaining Unit Employees, by replacing the current language with "Employees covered by the terms and conditions of the collective bargaining agreement between the City of Lebanon and Lebanon Permanent Firefighters Association Local 3197 of the International Association of Fire Fighters, as provided in that agreement, and as placed on file in the office of the City Clerk, shall be paid in accordance with the accompanying pay plan for the first pay period of 2019 (12/23/18) to the last pay period of 2019 (12/21/19)."

APPENDIX A - FIRE SALARY GRADES							
Lebanon Permanent Firefighters Association/IAFF - 2019 Salary Grades							2.6%
Position Title	Minimum						Maximum
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Firefighter - EMT	\$22.74	\$23.46	\$24.19	\$24.95	\$25.67	\$26.40	\$27.20
Firefighter - Paramedic	\$24.58	\$25.31	\$26.08	\$26.80	\$27.53	\$28.29	\$29.07
Fire Alarm Technician	\$25.77	\$26.30	\$26.83	\$27.34	\$27.88	\$28.40	\$28.93
Lieutenant	\$27.67	\$28.04	\$28.44	\$28.84	\$29.21	\$29.61	\$30.01
Fire Inspector	\$29.29	\$29.77	\$30.27	\$30.75	\$31.24	\$31.73	\$32.24
Lieutenant - Paramedic	\$29.54	\$29.93	\$30.32	\$30.70	\$31.11	\$31.49	\$31.87
Captain	\$30.54	\$30.86	\$31.21	\$31.55	\$31.87	\$32.22	\$32.57
Inspector - Paramedic	\$31.18	\$31.66	\$32.14	\$32.63	\$33.11	\$33.58	\$34.11
Captain - Paramedic	\$32.40	\$32.74	\$33.07	\$33.41	\$33.75	\$34.07	\$34.44

BE IT FURTHER RESOLVED, that the cost items associated with the new labor agreement result in an estimated increase in wages and statutory benefits above the cost of the last labor agreement, at the current staffing level, of \$62,970 for 2019, \$120,790 for 2020 and \$195,060 for 2021, making the total estimated cumulative wages and statutory benefits cost increases arising from the tentative collective bargaining agreement to be \$62,970 in 2019, \$183,760 in 2020 and \$378,820 in 2021, a total potential cumulative cost of \$625,550.

BE IT FURTHER RESOLVED, that estimated wage and statutory benefit costs for the first year (2019) of the three-year tentative labor agreement are expected to be offset by savings of \$68,550 resulting from a negotiated change in provided health program coverage.

This Resolution shall be effective upon passage.

Seconded by Councilor Winny.

****Motion passed 8-0-1. Mayor Prentiss abstained.***

D. AMEND ORDINANCE NO. 18, SALARY PLAN (AFSCME)

A public hearing for the purpose of receiving public input and taking action to amend Ordinance No. 18, Salary Plan, Article III, Bargaining Unit Employees, AFSCME Local 1348, Council 93 AFL-CIO, by replacing the current language with "Employees covered by the terms and conditions of the successor collective bargaining agreement between the City of Lebanon and AFSCME Local 1348, Council 93 AFL-CIO as provided in that agreement with the accompanying pay plan for the first pay period of 2019 (12/23/18) to the last pay period of 2019 (12/21/19)."

City Manager Mulholland stated this is another three year negotiated contract which is with the public works employees and the airport employees. They also agreed to the new high deductible health plan and this will result in reduced costs and an actual reduced proposed budget.

Mayor Prentiss opened the public hearing. Hearing no comments from the public she then closed the public hearing.

Assistant Mayor McNamara MOVED, that the Lebanon City Council recognizes the third of three presentations to amend Ordinance No. 18, Salary Plan, Article III, Bargaining Unit Employees, AFSCME Local 1348, Council 93 AFL-CIO, by replacing the current language with "Employees covered by the terms and conditions of the collective bargaining agreement between the City of Lebanon and AFSCME Local 1348, Council 93 AFL-CIO, as provided in that agreement, and as placed on file in the office of the City Clerk, shall be paid in accordance with the accompanying pay plan for the first pay period of 2019 (12/23/18) to the last pay period of 2019 (12/21/19)."

RESOLVED, that the Lebanon City Council ratifies the collective bargaining agreement between the City of Lebanon and AFSCME Local 1348, Council 93 AFL-CIO and further authorizes amending Ordinance No. 18, Salary Plan, Article III, Bargaining Unit Employees, by replacing the current language with "Employees covered by the terms and conditions of the collective bargaining agreement between the City of Lebanon and AFSCME Local 1348, Council 93 AFL-CIO, as provided in that agreement, and as placed on file in the office of the City Clerk, shall be paid in accordance with the accompanying pay plan for the first pay period of 2019 (12/23/18) to the last pay period of 2019 (12/21/19)."

APPENDIX B - AFSCME SALARY GRADES							
AFSCME Local 1348 - 2019 Salary Grades							2.6%
<u>Grade</u>	<u>Minimum</u>						<u>Maximum</u>
	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>
1	\$16.78	\$17.30	\$17.83	\$18.34	\$18.87	\$19.40	\$19.90
2	\$18.09	\$18.66	\$19.24	\$19.80	\$20.37	\$20.93	\$21.48
3	\$19.51	\$20.14	\$20.77	\$21.39	\$22.02	\$22.63	\$23.27
4	\$21.08	\$21.77	\$22.44	\$23.13	\$23.80	\$24.49	\$25.20
5	\$22.81	\$23.57	\$24.31	\$25.05	\$25.79	\$26.54	\$27.30
6	\$24.73	\$25.52	\$26.33	\$27.12	\$27.93	\$28.73	\$29.57
7	\$26.77	\$27.65	\$28.52	\$29.41	\$30.29	\$31.16	\$32.05
8	\$28.99	\$29.95	\$30.91	\$31.87	\$32.81	\$33.79	\$34.78
9	\$30.48	\$31.50	\$32.52	\$33.54	\$34.58	\$35.59	\$36.64

BE IT FURTHER RESOLVED, that the cost items associated with the new labor agreement result in an estimated increase in wages and statutory benefits above the cost of the last labor agreement, at the current staffing level, of \$44,880 for 2019, \$115,150 for 2020 and \$186,000 for 2021, making the total estimated cumulative wages and benefits cost increases arising from the tentative collective bargaining agreement to be \$44,880 in 2019, \$160,030 in 2020 and \$346,030 in 2021, a total potential cumulative cost of \$550,940.

BE IT FURTHER RESOLVED, that estimated wage and statutory benefit costs for the first year (2019) of the three-year tentative labor agreement are expected to be offset by savings of \$82,070 resulting from a negotiated change in provided health program coverage.

This Resolution shall be effective upon passage.

Seconded by Councilor Smith.

**Motion passed 9-0.*

E. ADOPTION OF 2019 CITY BUDGET

Public hearing for the purpose of receiving public input on the adoption of the 2019 City Budget as proposed by the City Manager and taking action to authorize the issuance of bonds or notes to finance 2019 capital improvements; to authorize the City Manager to apply for Drinking Water and/or Clean Water State Revolving Fund Loan(s) and to designate the City Manager as authorized representative of the City; to authorize the City Manager to apply to the New Hampshire Drinking Water and Groundwater Trust Fund for Water Treatment Facility Upgrades and authorizations for the issuance of bonds or notes; to authorize the disbursement of Capital Reserve Funds by the Trustees of the Trust Funds and to establish a new property acquisition Capital Reserve Fund; and to authorize the disbursement of Recreation Public Facilities Impact Fees.

Mayor Prentiss provided the background and a description of the steps the Council has gone through over the last months to get to this point of approving the budget. Finance Director Len Jarvi introduced the budget script and provided the procedures for the meeting and public hearing. He summarized that the proposed budget is over \$77 million, and the tax rate is a 2.3% increase over the previous year.

Mayor Prentiss opened the public hearing.

Rebecca Owens spoke as a member of the public regarding the City Hall renovations and noted that she is

also a member of the Planning and Zoning Department staff. The City Manager’s 11/29/18 presentation highlighted the renovations that effect health and well being as well as liabilities and safety for employees. She presented a handout and a final request that proper work spaces are provided, that the air quality within the building be improved and the energy costs of the building are reduced. She stated that civil servants look after the wellbeing of all the residents of Lebanon and it is her hope that an equal standard of condition is provided for the civil employees.

Joel Giguere, Technical Director and Facilities Manager of Lebanon Opera House spoke in support of the renovation of City Hall on behalf of employees and the public. Over 100,000 members of the community visit for public presentations and the improvements are important for the public as well. It is now time that the improvements that have been noted since 2003 are addressed. He mentioned the concerns of the structural condition and the roof. He reminded the Council that there is close to a million dollars in Opera House assets that are housed in City Hall and are at jeopardy due to the condition of the building.

Mayor Prentiss explained how balancing the needs of the City frequently require putting some essential things on hold in order to balance what the City needs to accomplish. Many things have been deferred while the City has worked on infrastructure with the CSO project.

Mayor Prentiss closed the public hearing.

RESOLUTION NO. 1

***Councilor Below MOVED* passage of Resolution No. 1 to appropriate \$32,539,104, for general City operations:**

***RESOLVED*, for the purpose of authorizing and financing the General Fund budget.**

***BE IT FURTHER RESOLVED*, by the City of Lebanon, that funds be raised and appropriated in the amount of \$32,539,104.**

	2019 Budget	\$ Chg. v. '18	% Chg. v. '18		2019 Budget	\$ Chg. v. '18	% Chg. v. '18
TO BE SPENT ON...							
Operations and Maintenance	\$26,463,960	\$1,349,630	5.4%	Intergovernmental Revenues	\$1,318,250	(\$140,046)	-9.6%
Debt Service	\$3,800,490	\$128,070	3.5%	Charges for Services	\$1,366,600	\$20,450	1.5%
Interfund Transfers	<u>\$2,274,654</u>	<u>\$323,034</u>	<u>16.6%</u>	Other Revenues	\$375,500	\$24,500	7.0%
Total Expenditures	<u>\$32,539,104</u>	<u>\$1,800,734</u>	<u>5.9%</u>	Interfund Transfers	<u>\$1,662,700</u>	<u>(\$25,710)</u>	<u>-1.5%</u>
...AND PAID FOR BY							
				Total Revenues	\$30,280,862	\$737,222	2.5%
Taxes	\$22,786,752	\$747,398	3.4%	Applied (Realized) Fund Balance	<u>\$2,258,242</u>	<u>\$1,063,512</u>	<u>89.0%</u>
Licenses and Permits	\$2,771,060	\$110,630	4.2%	Total Revenues and Fund Balance	<u>\$32,539,104</u>	<u>\$1,800,734</u>	<u>5.9%</u>

NOTE: Applied fund balance is spendable fund balance used to balance the budget; realized fund balance represents an expected gain.

This resolution shall be effective January 1, 2019.

Seconded by Assistant Mayor McNamara.

Mayor Prentiss asked for any amendments to Resolution 1.

***Councilor Hill Moved to* amend the motion to decrease the Recreation and Parks budget by \$1,800.
*Seconded by Councilor Winny.***

****The motion to amend passed 9/0.***

Councilor Smith Moved to amend the motion to decrease the General Fund budget by \$34,540 as follows:

<u>Department</u>	<u>Wages/Statutory Benefits</u>	<u>Health Insurance</u>	<u>Change Inc. / (Dec.)</u>
Executive (City Manager)	\$2,140	(\$700)	\$1,440
City Assessing	\$1,510	(\$700)	\$810
Planning & Zoning	\$10,880	(\$16,700)	(\$5,820)
Fire	\$62,970	(\$68,550)	(\$5,580)
Police	\$69,510	(\$84,550)	(\$15,040)
Municipal Services	\$25,210	(\$35,290)	(\$10,080)
Recreation and Parks	\$6,560	(\$10,980)	(\$4,420)
Library	\$9,200	(\$5,050)	\$4,150
	<u>\$187,980</u>	<u>(\$222,520)</u>	<u>(\$34,540)</u>

Seconded by Councilor Hill.

City Manager Mulholland explained the change in health care insurance netted reductions in the City Budget. The collective bargaining agreements were not negotiated at the time of the initial budget.

****The motion to amend passed 8/0/1 with one abstention. Mayor Prentiss abstained.***

Assistant Mayor McNamara Moved to amend the motion to increase the Planning & Zoning budget by \$10,000 for the purpose of effecting a West Lebanon focused charrette or some such other planning/visioning community engagement process.

Seconded by Councilor Winny.

The City Manager and some of the Councilors determined that this budget cycle is not the time for a Visioning Study for West Lebanon due to open ended plans for the Westboro Yard. They are proposing adding money to the operating budget to begin discussions and get public input from the residents of West Lebanon regarding the future development of the West Lebanon downtown area. Councilor Hill was disappointed that the Visioning Plan for West Lebanon is not starting this year, but she supports this first step. Mayor Prentiss spoke of the work they have done over the last year that is laying the ground work for the future development.

****The motion to amend passed 9/0.***

Councilor Heistad Moved to amend the motion to decrease the Transfers to Capital Improvements Fund budget by \$200,000 for the West Lebanon CBD Visioning Study project.

Seconded by Councilor Zook.

****The motion to amend passed 9/0.***

Councilor Bronner Moved to amend the motion to increase the Transfers to Capital Improvements Fund budget by \$190,500 for the Miracle Mile Pedestrian & Transit Improvements project.

Seconded by Councilor Winny.

Finance Manager Len Jarvi briefly explained this amendment will help eliminate some long term debt for the Miracle Mile Pedestrian and Transit Improvements project.

****The motion to amend passed 9/0.***

Councilor Below Moved to amend the motion to increase the Human Services budget by \$5,000 for the purpose of increasing the appropriations to the Public Health Council of the Upper Valley for funding additional hours by the Lebanon Community Nurse.

Seconded by Councilor Hill.

Councilor Below mentioned the presentation by Laurie Harding and explained he had a discussion with the Social Worker at the Senior Center who confirmed there is a great demand for these services.

***The motion to amend passed 9/0.**

Councilor Hill spoke about the importance of the budgeting process and support for the overall budget work the Council does to find a balance between spending and the burden on tax payors. She discussed the projects that the City has undertaken and how they have made deliberate decisions to sustain the City.

***The amended Resolution No. 1 Main Motion passed 9/0.**

RESOLUTION NO. 2

Councilor Hill MOVED passage of Resolution No. 2 to appropriate \$3,461,290 for solid waste disposal:

RESOLVED, for the purpose of authorizing and financing the Solid Waste Disposal Fund budget.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the amount of \$3,461,290.

	2019 Budget	\$ Chg. v. '18	% Chg. v. '18		2019 Budget	\$ Chg. v. '18	% Chg. v. '18
TO BE SPENT ON...							
Operations and Maintenance	\$1,652,550	\$115,780	7.5%	Charges for Services	\$3,300,000	(\$300,000)	-8.3%
Debt Service	\$367,250	(\$12,000)	-3.2%	Other Revenues	\$25,000	(\$205,000)	-89.1%
Interfund Transfers	\$1,441,490	(\$2,381,440)	-62.3%	Total Revenues	\$3,337,830	(\$505,540)	-13.2%
Total Expenditures	\$3,461,290	(\$2,277,660)	-39.7%	Applied (Realized) Fund Balance	\$123,460	(\$1,772,120)	-93.5%
...AND PAID FOR BY				Total Revenues and Fund Balance	\$3,461,290	(\$2,277,660)	-39.7%
Intergovernmental Revenues	\$12,830	(\$540)	-4.0%				

NOTE: Applied fund balance is spendable fund balance used to balance the budget; realized fund balance represents an expected gain.

This resolution shall be effective January 1, 2019.

Seconded by Councilor Bronner.

Mayor Prentiss asked for any amendments to Resolution 2.

Councilor Smith Moved to amend the motion to decrease the Solid Waste Disposal Fund budget by \$7,030 as follows:

Activity	Wages/Statutory Benefits	Health Insurance	Change Inc. / (Dec.)
Solid Waste Disposal Operations and Maintenance	\$10,400	(\$17,430)	(\$7,030)

Seconded by Councilor Winny.

City Manager Mulholland explained the reduction to the budget was based on the changes to the health insurance expense.

**The motion to amend passed 9/0.*

**The amended Resolution No. 2 Main Motion passed 9/0.*

RESOLUTION NO. 3

Assistant Mayor McNamara MOVED passage of Resolution No. 3 to appropriate \$3,649,275 for water treatment and distribution.

RESOLVED, for the purpose of authorizing and financing the Water Treatment and Distribution Fund budget.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the amount of \$3,649,275:

	2019 Budget	\$ Chg. v. '18	% Chg. v. '18		2019 Budget	\$ Chg. v. '18	% Chg. v. '18
TO BE SPENT ON...							
Operations and Maintenance	\$1,890,170	\$224,630	13.5%	Charges for Services	\$3,273,000	\$187,520	6.1%
Debt Service	\$974,420	\$107,490	12.4%	Other	\$34,650	\$0	0.0%
Interfund Transfers	<u>\$784,685</u>	<u>\$241,905</u>	<u>44.6%</u>	Interfund Transfers	<u>\$270,830</u>	<u>\$7,100</u>	<u>2.7%</u>
Total Expenditures	<u>\$3,649,275</u>	<u>\$574,025</u>	<u>18.7%</u>	Total Revenues	\$3,586,700	\$196,390	5.8%
...AND PAID FOR BY				Applied (Realized) Fund Balance	<u>\$62,575</u>	<u>\$377,635</u>	<u>-119.9%</u>
Intergovernmental Revenues	\$8,220	\$1,770	27.4%	Total Revenues and Fund Balance	<u>\$3,649,275</u>	<u>\$574,025</u>	<u>18.7%</u>

NOTE: Applied fund balance is spendable fund balance used to balance the budget; realized fund balance represents an expected gain.

This resolution shall be effective January 1, 2019.

Seconded by Councilor Hill.

Mayor Prentiss asked for any amendments to Resolution 3.

Councilor Smith Moved to amend the motion to decrease the Water Treatment and Distribution Fund budget by \$1,600 as follows:

Activity	Wages/Statutory Benefits	Health Insurance	Change Inc. / (Dec.)
Water Treatment & Distribution Operations and Maintenance	\$11,470	(\$13,070)	(\$1,600)

Seconded by Councilor Zook.

City Manager Mulholland explained the reduction to the budget was based on the changes to the health insurance expense

**The motion to amend passed 9/0.*

**The amended Resolution No. 3 Main Motion passed 9/0.*

RESOLUTION NO. 4

Councilor Winny *MOVED* passage of Resolution No. 4 to appropriate \$7,043,025 for sewage collection and disposal:

***RESOLVED*, for the purpose of authorizing and financing the Sewage Collection and Disposal Fund budget.**

***BE IT FURTHER RESOLVED*, by the City of Lebanon, that funds be raised and appropriated in the amount of \$7,043,025.**

	<u>2019 Budget</u>	<u>\$ Chg. v. '18</u>	<u>% Chg. v. '18</u>		<u>2019 Budget</u>	<u>\$ Chg. v. '18</u>	<u>% Chg. v. '18</u>
TO BE SPENT ON...				Charges for Services	\$6,035,650	\$280,880	4.9%
Operations and Maintenance	\$3,289,260	\$227,510	7.4%	Other	<u>\$44,750</u>	<u>\$0</u>	<u>0.0%</u>
Debt Service	\$2,559,480	\$34,970	1.4%	Total Revenues	\$6,291,770	\$279,390	4.6%
Interfund Transfers	<u>\$1,194,285</u>	<u>\$451,385</u>	<u>60.8%</u>	Applied (Realized) Fund Balance	<u>\$751,255</u>	<u>\$434,475</u>	<u>137.2%</u>
Total Expenditures	<u>\$7,043,025</u>	<u>\$713,865</u>	<u>11.3%</u>	Total Revenues and Fund Balance	<u>\$7,043,025</u>	<u>\$713,865</u>	<u>11.3%</u>
...AND PAID FOR BY							
Intergovernmental	\$211,370	(\$1,490)	-0.7%				

NOTE: Applied fund balance is spendable fund balance used to balance the budget; realized fund balance represents an expected gain.

This resolution shall be effective January 1, 2019.

Seconded by Councilor Smith.

Mayor Prentiss asked for any amendments to Resolution 4.

***Councilor Below Moved* to amend the motion to decrease the Sewage Collection and Disposal Fund budget by \$11,890 as follows:**

<u>Activity</u>	<u>Wages/Statutory Benefits</u>	<u>Health Insurance</u>	<u>Change Inc. / (Dec.)</u>
Sewage Collection & Disposal Operations and Maintenance	\$8,510	(\$20,400)	(\$11,890)

Seconded by Assistant Mayor McNamara.

City Manager Mulholland explained the reduction to the budget was based on the changes to the health insurance expense

****The motion to amend passed 9/0.***

****The amended Resolution No. 4 Main Motion passed 9/0.***

RESOLUTION NO. 5

***Councilor Heistad MOVED* passage of Resolution No. 5 to appropriate \$1,446,490 for Municipal Airport operations:**

***RESOLVED*, for the purpose of authorizing and financing the Municipal Airport Fund budget.**

***BE IT FURTHER RESOLVED*, by the City of Lebanon, that funds be raised and appropriated in the amount of \$1,446,490.**

	<u>2019 Budget</u>	<u>\$ Chg. v. '18</u>	<u>% Chg. v. '18</u>		<u>2019 Budget</u>	<u>\$ Chg. v. '18</u>	<u>% Chg. v. '18</u>
TO BE SPENT ON...							
Operations and Maintenance	\$1,171,470	\$76,340	7.0%	Charges for Services	\$943,670	\$126,410	15.5%
Debt Service	\$93,250	(\$3,100)	-3.2%	Other	\$5,190	(\$700)	-11.9%
Interfund Transfers	\$181,770	\$48,320	36.2%	Interfund Transfers	\$244,110	(\$96,010)	-28.2%
Total Expenditures	<u>\$1,446,490</u>	<u>\$121,560</u>	<u>9.2%</u>	Total Revenues	\$1,192,970	\$8,380	0.7%
...AND PAID FOR BY				Applied (Realized) Fund Balance	<u>\$253,520</u>	<u>\$113,180</u>	<u>80.6%</u>
Intergovernmental	\$0	(\$21,320)	-100.0%	Total Revenues and Fund Balance	<u>\$1,446,490</u>	<u>\$121,560</u>	<u>9.2%</u>

NOTE: Applied fund balance is spendable fund balance used to balance the budget; realized fund balance represents an expected gain.

This resolution shall be effective January 1, 2019.

Seconded by Assistant Mayor McNamara.

Mayor Prentiss asked for any amendments to Resolution 5.

Councilor Winny Moved to amend the motion to decrease the Municipal Airport Fund budget by \$5,450.

<u>Activity</u>	<u>Wages/Statutory Benefits</u>	<u>Health Insurance</u>	<u>Change Inc. / (Dec.)</u>
Airport Operations & Maintenance	\$1,910	(\$7,360)	(\$5,450)

Seconded by Assistant Mayor McNamara.

City Manager Mulholland explained the reduction to the budget was based on the changes to the health insurance expense

**The motion to amend passed 9/0.*

**The amended Resolution No. 5 Main Motion passed 9/0.*

RESOLUTION NO. 6

Mayor Prentiss MOVED passage of Resolution No. 6 to appropriate \$25,000 for Emergency Preparedness:

RESOLVED, for the purpose of authorizing and financing the Emergency Management Fund budget.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be raised and appropriated in the amount of \$25,000.

	<u>2019 Budget</u>	<u>\$ Chg. v. '18</u>	<u>% Chg. v. '18</u>		<u>2019 Budget</u>	<u>\$ Chg. v. '18</u>	<u>% Chg. v. '18</u>
TO BE SPENT ON...				...AND PAID FOR BY			
Operations and Maintenance	<u>\$25,000</u>	<u>\$0</u>	<u>0.0%</u>	Interfund Transfers	<u>\$25,000</u>	<u>\$0</u>	<u>0.0%</u>
Total Expenditures	<u>\$25,000</u>	<u>\$0</u>	<u>0.0%</u>	Total Revenues	\$25,000	\$0	0.0%
				Applied (Realized) Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>0.0%</u>
				Total Revenues and Fund Balance	<u>\$25,000</u>	<u>\$0</u>	<u>0.0%</u>

NOTE: Applied fund balance is spendable fund balance used to balance the budget; realized fund balance represents an expected gain.

This resolution shall be effective January 1, 2019.

Seconded by Councilor Hill.

**Resolution No. 6 Motion passed 8/0. Councilor Smith was absent for the vote.*

RESOLUTION NO. 7

Councilor Bronner MOVED passage of Resolution No. 7 to appropriate \$29,251,850 for Capital Improvements and Acquisitions:

RESOLVED, for the purpose of authorizing and financing the Capital Improvements Fund budget.

BE IT FURTHER RESOLVED, by the City of Lebanon, that funds be appropriated in the amount of \$29,251,850 for expenditure in connection with the following improvements and acquisitions.

	2019 Budget			% Chg. v. '18		
	2019 Budget	\$ Chg. v. '18	% Chg. v. '18	2019 Budget	\$ Chg. v. '18	% Chg. v. '18
TO BE SPENT ON...	...AND PAID FOR BY					
General Construction	\$24,569,610	\$12,204,610	98.7%	Intergovernmental	\$1,869,500	(\$870,500) -31.8%
Architecture/Engineering/Planning	\$2,547,240	\$547,240	27.4%	Other	\$9,500	\$9,500 -
Machinery, Vehicles & Equipment	<u>\$2,135,000</u>	<u>(\$3,975,000)</u>	<u>-65.1%</u>	Debt Proceeds	\$25,292,350	\$13,987,350 123.7%
Total Expenditures	<u>\$29,251,850</u>	<u>\$8,776,850</u>	<u>42.9%</u>	Interfund Transfers	<u>\$1,649,513</u>	<u>(\$4,780,487) -74.3%</u>
				Total Revenues	\$28,820,863	\$8,345,863 40.8%
				Applied (Realized) Fund Balance	<u>\$430,987</u>	<u>\$430,987</u> -
				Total Revenues and Fund Balance	<u>\$29,251,850</u>	<u>\$8,776,850</u> <u>42.9%</u>

NOTE: Applied fund balance is spendable fund balance used to balance the budget; realized fund balance represents an expected gain.

Project	Amount	Source of Financing Summary					Applied Fund Balance
		Intergovernmental (Grants)	Other	Bond/Note Proceeds (Debt Issuance)	Interfund Transfers (Existing Funds)		
Water Treatment Facility Improvements	\$3,420,000	\$0	\$0	\$3,420,000	\$0	\$0	
One-Ton Dump Truck #45 Replacement	\$85,000	\$0	\$0	\$0	\$0	\$85,000	
DPW Fleet and Equipment Replacement	\$350,000	\$0	\$0	\$0	\$350,000	\$0	
Packard Hill Bridge Replacement #154-113	\$120,000	\$0	\$0	\$120,000	\$0	\$0	
Hanover Street/Route 120 Bridge #121-117	\$275,000	\$0	\$0	\$275,000	\$0	\$0	
Mascoma Street Bridge Replacement #120-115	\$65,000	\$52,000	\$0	\$0	\$0	\$13,000	
Hillcrest Acres Infrastructure Construction	\$6,750,000	\$0	\$0	\$6,750,000	\$0	\$0	
CSO	\$3,800,000	\$0	\$0	\$3,800,000	\$0	\$0	
Water System Mapping	\$290,000	\$0	\$0	\$0	\$290,000	\$0	
Mechanic/High/Mascoma Sts Intersection	\$700,000	\$0	\$0	\$700,000	\$0	\$0	
Lebanon Sewer System Rehabilitation	\$2,500,000	\$0	\$0	\$2,500,000	\$0	\$0	
Asset Management Program	\$120,000	\$0	\$0	\$120,000	\$0	\$0	
Emergency Intersection Control System	\$380,000	\$0	\$0	\$380,000	\$0	\$0	
Personal Protective Equipment Replacement	\$135,000	\$0	\$0	\$0	\$135,000	\$0	
LPD Mobile Radio & Tactical Headset Replacement	\$105,000	\$0	\$0	\$0	\$57,013	\$47,987	
LPD HVAC Repair and Upgrade	\$690,000	\$0	\$0	\$690,000	\$0	\$0	
LPD Radio Communications Repeater Replacement	\$1,070,000	\$0	\$0	\$1,070,000	\$0	\$0	
West Lebanon CBD Visioning Study	\$200,000	\$0	\$0	\$0	\$200,000	\$0	
Altaría-Route 120 Pedestrian & Bike Improvements	\$125,000	\$0	\$0	\$0	\$125,000	\$0	
Miracle Mile Pedestrian and Transit Improvements	\$1,000,000	\$800,000	\$9,500	\$190,500	\$0	\$0	
Airport Runway Safety Area Improvements	\$1,000,000	\$950,000	\$0	\$50,000	\$0	\$0	
Airport Terminal Loop Road and Parking Lot	\$390,000	\$0	\$0	\$390,000	\$0	\$0	
Airport Terminal Roof Repairs	\$115,000	\$0	\$0	\$0	\$115,000	\$0	
Airport Solar Array Phase 3 Area	\$50,000	\$47,500	\$0	\$0	\$2,500	\$0	
Library Oil Tank Replacement	\$55,000	\$0	\$0	\$0	\$0	\$55,000	
Lebanon Library Renovation	\$20,000	\$0	\$0	\$0	\$20,000	\$0	
City Hall Renovation	\$3,916,850	\$0	\$0	\$3,916,850	\$0	\$0	
Street Light Conversions	\$920,000	\$0	\$0	\$920,000	\$0	\$0	
10-Wheel Truck #88 Replacement	\$165,000	\$0	\$0	\$0	\$0	\$165,000	
Recycling Center Skid Steer #41 Replacement	\$65,000	\$0	\$0	\$0	\$0	\$65,000	
Recreation Playing Fields	\$75,000	\$0	\$0	\$0	\$75,000	\$0	
West Lebanon Capital Improvements	<u>\$300,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$300,000</u>	<u>\$0</u>	
Total	\$29,251,850	\$1,849,500	\$9,500	\$25,292,350	\$1,669,513	\$430,987	

Source of Financing	Amount	Intergovernmental (Grants)	Other	Bond/Note Proceeds (Debt Issuance)	Interfund Transfers (Existing Funds)	Applied Fund Balance
New Hampshire Department of Transportation	\$872,000	\$872,000	\$0	\$0	\$0	\$0
Federal Aviation Administration	\$945,000	\$945,000	\$0	\$0	\$0	\$0
New Hampshire Department of Transportation -- Bureau of Aeronautics	\$52,500	\$52,500	\$0	\$0	\$0	\$0
Private Contributions	\$9,500	\$0	\$9,500	\$0	\$0	\$0
General Fund Supported (Property Taxes)	\$12,057,350	\$0	\$0	\$12,057,350	\$0	\$0
Water Treatment and Distribution Fund Supported (Water Service Fees)	\$6,835,000	\$0	\$0	\$6,835,000	\$0	\$0
Sewage Collection and Disposal Fund Supported (Sewer Service Fees)	\$5,960,000	\$0	\$0	\$5,960,000	\$0	\$0
Municipal Airport Fund Supported (Airport Service Fees)	\$440,000	\$0	\$0	\$440,000	\$0	\$0
Capital Reserve Funds	\$755,000	\$0	\$0	\$0	\$755,000	\$0
Passenger Facility Charge Fees	\$2,500	\$0	\$0	\$0	\$2,500	\$0
Public Facilities Impact Fees (Recreation)	\$75,000	\$0	\$0	\$0	\$75,000	\$0
Transfer from General Fund	\$702,013	\$0	\$0	\$0	\$702,013	\$0
Transfer from Municipal Airport Fund	\$115,000	\$0	\$0	\$0	\$115,000	\$0
Transfers from Existing Capital Projects	\$430,987	\$0	\$0	\$0	\$0	\$430,987
Total	\$29,251,850	\$1,869,500	\$9,500	\$25,292,350	\$1,649,513	\$430,987

BE IT FURTHER RESOLVED, by the City of Lebanon, that the City Manager is authorized to take steps necessary and appropriate to apply for and secure maximum Federal and State grant funding assistance.

This resolution shall be effective January 1, 2019.

Seconded by Assistant Mayor McNamara.

Through the work sessions the City Council has worked with Staff to come to a budget that balances the burden on tax payers with the work that the City believes is important to get done. City Manager Mulholland spoke to the budget saying originally it was considerably higher, and some projects, although important and essential, have been delayed in order to keep the budget within limits. There is never enough money to do all that needs to be done. They weighed alternatives, and some of those will have to be addressed in years to come. The City Manager gave the highlights of the reductions he is proposing to the budget that was originally submitted. He is proposing reductions to bring the CIP budget down from \$29 million to \$23 million. He cited much of the recent work the City has been doing and the recent improvements. Some things won't move forward at this time. After much discussion and work, there are many things that still need more answers and therefore will move forward at a time when the answers are obtained.

Assistant Mayor McNamara advocated for the decrease in the Capital Budget. Recently the annual increases have been substantial, and he supports keeping the budget lower and making good financial decisions regarding spending.

Mayor Prentiss asked for any amendments to Resolution 4.

Councilor Hill Moved to amend the motion to decrease the Capital Improvements Fund budget by \$586,850 for the City Hall Renovation project (from \$3,916,850 to \$3,330,000) and to decrease estimated revenues (Bond Proceeds) by the same amount.

Seconded by Councilor Winny.

Councilor Below thinks this reduction may not provide enough money to get essential work done. From a design perspective he questioned what is being considered. The architectural and energy audit were not

taken into consideration. The additional money in the budget could reduce the energy costs. There is some structural work proposed, but the \$3 million didn't include enough for energy improvements. They have not seen any schematic designs. He spoke about the energy conservation credits that could be saved if the improvements are done. It might be cost effective to borrow more and it could pay for itself by the time it is paid off. He is requesting time to do the analysis and proposes considering making a financial commitment during the year as the project progresses if it is determined known that the investment is worth it.

The Councilors continued to discuss the decision to reduce the budget for the City Hall Renovation. Some of the Councilors are supportive that future work sessions will result in more financial commitment. They are concerned about the energy efficiency, the health and safety of the building. They are hoping to have a more developed plan, enough time to make decisions about the best way to spend the appropriated funds, and to determine the next logical steps for improvements. They want to fully understand the options that can be considered and receive more details before they appropriate additional funds. The Councilors are in support of continuing to make improvements to City Hall. They are asking for more information, to work together to review the plans and designs, and they are willing to appropriate more money.

****Motion to amend passed 9/0.***

Assistant Mayor McNamara Moved to amend the motion to decrease the Capital Improvements Fund budget by \$2,200,000 for the Hillcrest Acres Infrastructure Construction project (from \$6,750,000 to \$4,550,000) and to decrease estimated revenues (Bond Proceeds) by the same amount.

Seconded by Councilor Smith.

City Manager Mulholland stated this funding allows for the road work, new water lines and drainage along the roadways. The work will be done in the 2020 construction season. The neighborhood voted to agree to put the sewers on hold and worked with the City to make this decision.

****Motion to amend passed 9/0.***

Councilor Smith Moved to amend the motion to decrease the Capital Improvements Fund budget by \$55,000 by deleting the Library Oil Tank Replacement Project and to decrease the amount Applied from Fund Balance by the same amount.

Seconded by Councilor Heistad.

City Manager Mulholland stated that the Library Trustees are asking to postpone this project until there is time to investigate various heating systems.

****Motion to amend passed 9/0.***

Councilor Winny Moved to amend the motion to decrease the Capital Improvements Fund budget by \$200,000 by deleting the West Lebanon CBD Visioning Study project and to decrease estimated revenues (Transfers from General Fund) by the same amount.

Seconded by Councilor Bronner.

****Motion to amend passed 9/0.***

Councilor Below Moved to amend the motion to increase estimated revenues (Transfers from

General Fund) by \$190,500 for the Miracle Mile Pedestrian & Transit Improvements project and to decrease estimated revenues (Bond Proceeds) by the same amount for the same project.

Secoded by Councilor Winny.

****Motion to amend passed 9/0.***

Councilor Below Moved to amend the motion to decrease the Capital Improvements Fund budget by \$1,000,000 by deleting the Airport Runway Safety Area Improvement project and to decrease estimated revenues (FAA and State Grants, \$950,000; Bond Proceeds, \$50,000) by the same amount.

Secoded by Assistant Mayor McNamara.

City Manager Mulholland stated tax payer funding for this project will be better spent when there is a more fully developed improvement plan and discussions with the FAA are completed.

****Motion to amend passed 9/0.***

Councilor Zook Moved to amend the motion to decrease the Capital Improvements Fund budget by \$50,000 by deleting the Airport Solar Array Phase 3 Area project and to decrease estimated revenues (FAA and State Grants, \$47,500; Transfers from Passenger Facility Charge Fees Fund, \$2,500) by the same amount. Secoded by Councilor Winny.

The City Manager stated it is premature to do the work at this time. They will move forward with other solar projects at this time.

****Motion to amend passed 9/0.***

Councilor Smith Moved to amend the motion to decrease the Capital Improvements Fund budget by \$390,000 by deleting the Airport Terminal Loop Road and Parking Lot Paving project and to decrease estimated revenues (Bond Proceeds) by the same amount.

Secoded by Councilor Heistad.

City Manager Mulholland said this work needs to be done, but he felt this could be postponed and have the least impact.

****Motion to amend passed 9/0.***

Assistant Mayor McNamara Moved to amend the motion to decrease the Capital Improvements Fund budget by \$1,500,000 for the Lebanon Sewer System Rehabilitation project (from \$2,500,000 to \$1,000,000) and to decrease estimated revenues (Bond Proceeds) by the same amount.

Secoded by Councilor Bronner.

Assistant Mayor McNamara read a letter from Dan Nash into the record. Mr. Nash's letter supported the Lebanon Sewer System Rehabilitation and discussed the positive financial impact the project would have on the City of Lebanon. The full letter will be kept with the meeting materials.

Assistant Mayor McNamara discussed the reduced project stating they will yield a large portion of the projected capacity for a substantially reduced cost. They will make the improvements that will potentially double the flow in the interceptor line. With new information they will be able to rate capacity, risk and implications. They will continue to do the analysis to determine the best strategic investment.

**Motion to amend passed 9/0.*

Councilor Hill Moved to amend the motion to decrease the Capital Improvements Fund budget by \$70,000 for the LPD HVAC Repair and Upgrade project (from \$690,000 to \$620,000) and to decrease estimated revenues (Bond Proceeds) by the same amount.

Seconded by Councilor Below.

**Motion to amend passed 9/0.*

Councilor Smith Moved to amend the motion to decrease the Capital Improvements Fund budget by \$200,000 for the Emergency Intersection Control System project (from \$380,000 to \$180,000) and to decrease estimated revenues (Bond Proceeds) by the same amount.

Seconded by Assistant Mayor McNamara.

**Motion to amend passed 9/0.*

Councilor Smith Moved to amend the motion to increase estimated revenues (Private Contributions) by \$180,000 for the Emergency Intersection Control System Project and to decrease estimated revenues (Bond Proceeds) by the same amount for the same project.

Seconded by Councilor Hill.

**Motion to amend passed 9/0.*

**The amended Resolution No. 7 Main Motion passed 9/0.*

RESOLUTION NO. 8

Assistant Mayor McNamara MOVED passage of Resolution No. 8 to authorize the issuance of bonds or notes to finance 2019 Capital Improvements.

RESOLVED, by the City of Lebanon, that the City Treasurer, with the approval of the City Manager, is authorized to issue, in accordance with the Municipal Finance Act (RSA 33), a bond issue or bond issues in an amount not to exceed \$25,292,350 (Twenty-Five Million Two Hundred and Ninety-Two Thousand Three Hundred and Fifty Dollars) as follows:

Project	Estimated Useful Life	Paid for By	Amount
Packard Hill Bridge Replacement \$154-113	20-Years	Property Taxes	\$120,000
Hanover Street/Route 120 Bridge #121-117	20-Years	Property Taxes	\$275,000
Hillcrest Acres Infrastructure Construction	20-Years	Property Taxes	\$2,275,000
		Water User Fees	\$2,275,000
		Sewer User Fees	\$2,200,000
Combined Sewer Overflow Separation and Utility Replacement	20-Years	Property Taxes	\$1,520,000
		Water User Fees	\$1,140,000
		Sewer User Fees	\$1,140,000
Mechanic/High/Mascoma Streets Intersection	20-Years	Property Taxes	\$700,000
LPD HVAC Repair and Upgrade	15-Years	Property Taxes	\$690,000
Radio Communications Repeater Replacement	10-Years	Property Taxes	\$1,070,000
Miracle Mile Pedestrian and Transit Improvements	20-Years	Property Taxes	\$190,500
City Hall Renovation	20-Years	Property Taxes	\$3,916,850
Street Light Conversions	15-Years	Property Taxes	\$920,000
Emergency Intersection Control System	10-Years	Property Taxes	\$380,000
Water Treatment Facility Improvements	20-Years	Water User Fees	\$3,420,000
Lebanon Sewer System Rehabilitation	20-Years	Sewer User Fees	\$2,500,000
Asset Management Program	5-Years	Sewer User Fees	\$120,000
Runway Safety Area Improvements	15-Years	Airport User Fees	\$50,000
Reconstruct Terminal Loop Road and Parking Lot	15-Years	Airport User Fees	\$390,000
Total			\$25,292,350

BE IT FURTHER RESOLVED, that, except as herein otherwise provided, discretion to fix the dates, maturities, denominations, interest rate, form, and other details of said note(s)/issue(s), is hereby delegated to the City Treasurer, with the approval of the City Manager;

BE IT FURTHER RESOLVED, that, in accordance with the requirements of the Municipal Finance Act (RSA 33:2 Repayment of Loans), no loans issued to pay for public works or improvements shall exceed the expected useful life of said public works or improvements as determined by the City Council as designated in the foregoing table.

This resolution shall be effective January 1, 2019.

Seconded by Councilor Heistad.

Mayor Prentiss asked for any amendments to Resolution 8.

Councilor Hill Moved to amend the motion to decrease the amount of bonds/notes authorized to be issued to finance 2019 capital improvements by \$586,850 (tax rate supported) for the City Hall Renovation project from \$3,916,850 to \$3,330,000.

Seconded by Councilor Bronner.

**Motion to amend passed 9/0.*

Councilor Smith Moved to amend the motion to decrease the amount of bonds/notes authorized to be issued to finance 2019 capital improvements by \$2,200,000 (sewer rate supported) for the Hillcrest Acres Infrastructure Construction project from \$6,750,000 to \$4,550,000.

Seconded by Councilor Heistad.

**Motion to amend passed 9/0.*

Councilor Zook Moved to amend the motion to decrease the amount of bonds/notes authorized to be issued to finance 2019 capital improvements by \$190,500 (tax rate supported) for the Miracle Mile Pedestrian & Transit Improvements project.

Seconded by Councilor Winny.

**Motion to amend passed 9/0.*

Councilor Smith Moved to amend the motion to decrease the amount of bonds/notes authorized to be issued to finance 2019 capital improvements by \$50,000 (airport rate supported) for the Airport Runway Safety Area Improvements project.

Seconded by Assistant Mayor McNamara.

****Motion to amend passed 9/0.***

Councilor Winny Moved to amend the motion to decrease the amount of bonds/notes authorized to be issued to finance 2019 capital improvements by \$390,000 (airport rate supported) for the Airport Terminal Loop Road and Parking Lot Paving project.

Seconded by Councilor Bronner.

****Motion to amend passed 9/0.***

Councilor Hill Moved to amend the motion to decrease the amount of bonds/notes authorized to be issued to finance 2019 capital improvements by \$1,500,000 (sewer rate supported) for the Lebanon Sewer System Rehabilitation project from \$2,500,000 to \$1,000,000.

Seconded by Assistant Mayor McNamara.

****Motion to amend passed 9/0.***

Mayor Prentiss Moved to amend the motion to decrease the amount of bonds/notes authorized to be issued to finance 2019 capital improvements by \$70,000 (tax rate supported) for the LPD HVAC Repair and Upgrade project from \$690,000 to \$620,000.

Seconded by Councilor Smith.

****Motion to amend passed 9/0.***

Councilor Smith Moved to amend the motion to decrease the amount of bonds/notes authorized to be issued to finance 2019 capital improvements by \$380,000 (tax rate supported) for the Emergency Intersection Control System project from \$380,000 to \$0.

Seconded by Councilor Zook.

****Motion to amend passed 9/0.***

****The amended Resolution No. 8 Main Motion passed 9/0.***

RESOLUTION NO. 9

Mayor Prentiss MOVED passage of Resolution No. 9 to authorize the City Manager to apply for Clean Water State Revolving Fund Loan(s) and to designate the City Manager as Authorized Representative of the City.

WHEREAS, the City of Lebanon, after thorough consideration of the nature of its water pollution problem, hereby determines that the construction of certain works, generally described as Combined Sewer Overflow Separation Improvements (\$3,800,000), Lebanon Sewer System Rehabilitation (\$2,500,000) and Asset Management Program (\$120,000) are desirable and in the public interest and, to that end, it is desired to apply for assistance from the Clean Water State Revolving Fund for up to \$6,420,000; and

WHEREAS, the City of Lebanon, has examined and duly considered the provisions of RSA 486:14 and the New Hampshire Code of Administrative Rules Chapter Env-Wq 500, which relate to loans

from the Clean Water State Revolving Fund, and deems it to be in the public interest to file loan applications and to authorize other actions in connection therewith;

NOW THEREFORE BE IT RESOLVED, by the City of Lebanon City Council, that: 1. The City Manager is hereby authorized on behalf of the City to file an application for a loan to be made in accordance with New Hampshire Code of Administrative Rules Chapters Env-Wq 500; 2. That if such loan be made, the City agrees to repay the loan as stipulated in the loan agreement; 3. That the City Manager is hereby authorized to furnish such information and to take such other action as may be necessary to enable the City to qualify for the loan; 4. That the City Manager is hereby designated as the authorized representative of the City for the purpose of furnishing such information, data, and documents pertaining to the City for a loan as may be required; and otherwise to act as the authorized representative of the City in connection with this application. 5. That certified copies of this resolution be included as part of the application to be submitted for a loan; 6. That if such loan be made, the City agrees to make provisions for assuming proper and efficient operation and maintenance of the facilities after completion of the construction thereof.

This resolution shall be effective January 1, 2019.

Seconded by Assistant Mayor McNamara.

Mayor Prentiss asked for any amendments to Resolution 9.

Assistant Mayor McNamara Moved to change the first paragraph to read as follows: "... Lebanon Sewer System Rehabilitation (\$1,000,000) and Asset Management Program (\$120,000) are desirable and in the public interest and, to that end, it is desired to apply for assistance from the Clean Water State Revolving Fund for up to \$4,920,000..."

Seconded by Councilor Heistad.

**Motion to amend passed 9/0.*

**The amended Resolution No. 9 Main Motion passed 9/0.*

RESOLUTION NO. 10

Councilor Bronner MOVED passage of Resolution No. 10 and to authorize the City Manager to apply for New Hampshire Drinking Water and Groundwater Trust Fund loan funds for up to \$2,712,000 and to designate the City Manager as Authorized Representative of the City:

WHEREAS, the City of Lebanon, after thorough consideration of the nature of its drinking water system needs, hereby determines that the construction of certain works, generally described as Water Treatment Facility Improvements, are desirable and in the public interest and, to that end, it is necessary to apply for assistance from the New Hampshire Drinking Water and Groundwater Trust Fund Loan Funds for up to \$2,712,000.

WHEREAS, the City of Lebanon, has examined and duly considered the provisions of New Hampshire RSA-485 F which relate to loans from the New Hampshire Drinking water and Groundwater Trust Fund, and deems it to be in the public interest to file loan applications and to authorize other actions in connection therewith;

NOW THEREFORE BE IT RESOLVED, by the City of Lebanon City Council, that: 1. The City Manager is hereby authorized on behalf of the City to file an application for a loan to be made in

accordance with New Hampshire RSA-485 F; 2. That if such loan be made, the City agrees to repay the loan as stipulated in the loan agreement; 3. That the City Manager is hereby authorized to furnish such information and to take such other action as may be necessary to enable the City to qualify for the loan; 4. That the City Manager is hereby designated as the authorized representative of the City for the purpose of furnishing such information, data, and documents pertaining to the City for a loan as may be required; and otherwise to act as the authorized representative of the City in connection with this application. 5. That certified copies of this resolution be included as part of the application to be submitted for a loan; 6. That if such loan be made, the City agrees to make provisions for assuming proper and efficient operation and maintenance of the facilities after completion of the construction thereof.

This resolution shall be effective January 1, 2019

Seconded by Councilor Below.

** Resolution No. 10 Motion passed 9/0.*

RESOLUTION NO. 11

Councilor Hill MOVED passage of Resolution No. 11 to rescind prior authorization for the issuance of bonds or notes totaling \$1,326,574.87:

WHEREAS, the Lebanon City Council, on December 21, 2011), authorized the issuance of bonds or notes in the amount of \$9,916,000, including \$4,500,000 to finance the Combined Sewer Overflow Separation and Utility Replacement project; and

WHEREAS, the Lebanon City Council, on December 19, 2012, authorized the issuance of bonds or notes in the amount of \$6,890,000, including \$3,500,000 to finance the Combined Sewer Overflow Separation and Utility Replacement project; and

WHEREAS, the Lebanon City Council, on December 18, 2013, authorized the issuance of bonds or notes in the amount of \$10,247,000, including \$1,870,000 to finance the NH120/Etna Road Sewer Improvements project; and

WHEREAS, the Lebanon City Council, on December 17, 2014, authorized the issuance of bonds or notes in the amount of \$6,495,920, including \$36,000 to finance the Mascoma Street Bridge #120-115 project; and

WHEREAS, the Lebanon City Council, on December 16, 2015, authorized the issuance of bonds or notes in the amount of \$5,749,410, including \$74,000 to finance the Mascoma Street Bridge #120-115 project; and

WHEREAS, the Lebanon City Council, on April 20, 2016, authorized the issuance of bonds or notes in the amount of \$1,700,000 to finance the NH120/Etna Road Sewer Improvements project; and

WHEREAS, prior but unissued authorizations for the issuance of bonds or notes totaling \$1,326,574.87 are unnecessary due to project completion or the use of alternative financing and in an ongoing effort to reduce outstanding authorized but unissued long-term debt, the City's debt exposure, the significant costs ultimately associated with servicing that debt, to preserve debt capacity and in the interest of good debt management;

NOW THEREFORE BE IT RESOLVED, by the City of Lebanon, that bonds or notes authorized on December 21, 2011 to be issued in the amount of \$568,664.64, but unissued, in connection with the Combined Sewer Overflow Separation and Utility Replacement project, is rescinded.

BE IT FURTHER RESOLVED, by the City of Lebanon, that bonds or notes authorized on December 19, 2012 to be issued in the amount of \$300,000, but unissued, in connection with the Combined Sewer Overflow Separation and Utility Replacement project, is rescinded.

BE IT FURTHER RESOLVED, by the City of Lebanon, that bonds or notes authorized on December 18, 2013 to be issued in the amount of \$70,000, but unissued, in connection with the NH120/Etna Road Sewer Improvements project, is rescinded.

BE IT FURTHER RESOLVED, by the City of Lebanon, that bonds or notes authorized on December 17, 2014 to be issued in the amount of \$36,000, but unissued, in connection with the Mascoma Street Bridge #120-115 project is rescinded.

BE IT FURTHER RESOLVED, by the City of Lebanon, that bonds or notes authorized on December 16, 2015 to be issued in the amount of \$74,000, but unissued, in connection with the Mascoma Street Bridge #120-115 project, is rescinded.

BE IT FURTHER RESOLVED, by the City of Lebanon, that bonds or notes authorized on April 20, 2016 to be issued in the amount of \$277,910.23, but unissued, in connection with the NH120/Etna Road Sewer Improvements project, is rescinded.

This resolution shall be effective upon passage.

Seconded by Assistant Mayor McNamara

** Resolution No. 11 Motion passed 9/0.*

RESOLUTION NO. 12

Mayor Prentiss MOVED passage of Resolution No. 12 to authorize the disbursement of Capital Reserve Funds by the Trustees of the Trust Funds and to establish a new Property Acquisition Capital Reserve Fund:

RESOLVED, by the City of Lebanon, that funds held by the Trustees of the Trust Funds, in an amount not to exceed \$1,020,000 (One Million Twenty Thousand Dollars) be disbursed to the Capital Improvements Fund as follows:

<u>Purpose</u>	<u>Capital Reserve Fund</u>	<u>Amount</u>
Fleet and Equipment Replacement	DPW Equipment and Vehicles	\$250,000
Personal Protective Equipment Replacement	Fire Department Equipment and Vehicles	\$135,000
Fleet and Equipment Replacement	Water Treatment and Distribution Improvements and Equipment	\$50,000
Water System Mapping		\$270,000
Fleet and Equipment Replacement	Sewage Collection and Disposal Improvements and Equipment	\$50,000
CMOM (Capacity Management Operations Maintenance Plan)		<u>\$265,000</u>
Total		<u>\$1,020,000</u>

BE IT FURTHER RESOLVED, that the Property Acquisition Capital Reserve Fund be established 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.

This resolution shall be effective January 1, 2019.

Seconded by Councilor Winny.

** Resolution No. 12 Motion passed 9/0.*

RESOLUTION NO. 13

Councilor Winny *MOVED* to authorize the disbursement of Recreation Public Facilities Impact Fees:

***RESOLVED*, by the City of Lebanon, that funds in an amount not to exceed \$75,000 (Seventy-Five Thousand Dollars) be disbursed from the Recreation Public Facilities Impact Fees Fund to the Capital Improvements Fund to partially fund the 2019 Recreation Playing Fields project.**

This resolution shall be effective January 1, 2019.

Seconded by Councilor Zook.

** Resolution No. 13 Motion passed 9/0.*

ADJOURNMENT

Councilor Bronner *MOVED* to adjourn.

Seconded by Councilor Winny.

****The Motion passed 9/0.***

Respectfully Submitted,

Linda Billings

Recording Secretary