

2017 CITY BUDGET – Section 4 Capital Improvements

Budgets are adopted by the City Council on a fund basis. A fund segregates resources (revenues) and requirements (expenditures) that are legally restricted to specific uses. The City has six budgeted Operating Funds and a Capital Improvements Fund where the acquisition or construction of major, expensive and long-lived capital facilities are budgeted.

An understanding of what the budget intends to accomplish takes substantive form at the functional level where related activities aimed at accomplishing a major service for which the City is responsible takes place. *Section 3 Operations and Maintenance, Section 4 Capital Improvements, Section 5 Debt Service, and Section 6 Interfund Transfers* are organized by function; *Section 7 Revenues and Rates* provides for how operational and non-operational activities and efforts are expected to be paid for.

Section 4 Capital Improvements consists of capital investments in vehicles, equipment, facilities and infrastructure that are major in nature, expensive and long-lived. Resources (revenues) and requirements (expenditures) of a capital nature are budgeted in the Capital Improvements Fund. Operating budgets are period oriented (January 1 to December 31); the capital improvements budget is project oriented. With the exception of the Capital Improvements Fund, all appropriations lapse (expire) at the end of the fiscal year. Operating budget appropriations may be carried over to the subsequent budget year by earmarking (encumbering) commitments for specific purposes whether through the issuance of purchase orders or other legally binding instruments.

The City identifies anticipated capital expenditures annually in a six-year Capital Improvement Program (CIP) which has two components: the capital improvements budget (the first year of the program) and the capital plan (the remaining five-years). The CIP is prepared pursuant to RSA Chapter 674:5-674:8; it is intended to assist the City Council in its consideration of the annual budget.

Project requests are developed by City departments based upon needs that have been identified in the master plan, by public demand for services or facilities, or by operational needs. Requests include project description, rationale, project schedule and identification of the means to pay for the proposed work (or acquisition) including an assessment of financial impact.

The 2017 Capital Improvements Budget is \$12,050,050, an increase of \$126,730, or 1.1%, from 2016.

Table No. 1

Function		2015 Budget	2016 Budget	2017 Budget	\$ Chg.	%Chg.
Capital Improvements	Total	<u>\$11,595,000</u>	<u>\$11,923,320</u>	<u>\$12,050,050</u>	<u>\$126,730</u>	<u>1.1%</u>
<u>Budgeted Fund</u>						
Capital Improvements	Total	<u>\$11,595,000</u>	<u>\$11,923,320</u>	<u>\$12,050,050</u>	<u>\$126,730</u>	<u>1.1%</u>

- Eight (8) projects supplement ongoing projects – Combined Sewer Overflow Separation/Utility Replacement, Mechanic Street Bridge Improvements, Downtown Visioning and Tunnel Project, Trues Brook Road Bridge #066-059, Capacity Management Operations Maintenance Plan (CMOM), Airport Hazard/Obstruction Removal, Airport Terminal Building Boiler and Rooftop AC Units Replacement, Mascoma River Greenway.

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2017 Capital Improvements Budget -- project composition and financing:

Table No. 2

Project	Amount	Source of Financing Summary					Applied Fund Balance
		Intergovernmental (Grants)	Other	Bond/Note Proceeds (Debt Issuance)	Interfund Transfers (Existing Funds)		
LFD Engine #4 Replacement	\$620,000	\$0	\$0	\$620,000	\$0	\$0	
LFD Radio Replacement	\$100,000	\$0	\$0	\$0	\$100,000	\$0	
LFD Staff Vehicles Replacement	\$90,000	\$0	\$0	\$0	\$90,000	\$0	
Combined Sewer Overflow Separation/Utility Replacement	\$6,300,000	\$0	\$0	\$6,300,000	\$0	\$0	
Mechanic Street Bridge Improvements	\$425,000	\$300,000	\$0	\$0	\$65,000	\$60,000	
Downtown Visioning and Tunnel Project	\$200,000	\$0	\$0	\$200,000	\$0	\$0	
DPW Fleet and Equipment Replacement	\$350,000	\$0	\$0	\$0	\$350,000	\$0	
Skatepark Redevelopment	\$50,000	\$0	\$0	\$0	\$50,000	\$0	
Trues Brook Road Bridge #066-059	\$240,000	\$192,000	\$0	\$0	\$0	\$48,000	
Landfill Truck Scale Replacement	\$280,000	\$0	\$0	\$0	\$280,000	\$0	
Water Treatment Facility Upgrade	\$110,000	\$0	\$0	\$0	\$110,000	\$0	
Loader Replacement	\$80,000	\$0	\$0	\$0	\$80,000	\$0	
Underground Fuel Storage Tank Replacement	\$90,000	\$0	\$0	\$0	\$90,000	\$0	
Capacity Management Operations Maintenance Plan (CMOM)	\$300,000	\$0	\$0	\$0	\$300,000	\$0	
Airport Terminal Area Americans with Disabilities Act Improvements	\$70,000	\$66,500	\$0	\$0	\$3,500	\$0	
Airport Layout Plan and Environmental Assessment	\$200,500	\$190,475	\$0	\$0	\$10,025	\$0	
Airport Hazard/Obstruction Removal	\$758,250	\$720,335	\$0	\$0	\$37,915	\$0	
Airport Terminal Building Boiler and Rooftop AC Units Replacement	\$76,300	\$0	\$0	\$0	\$76,300	\$0	
Mascoma River Greenway	\$910,000	\$0	\$0	\$910,000	\$0	\$0	
Lahaye Drive Pedestrian & Bike Improvements	\$800,000	\$640,000	\$80,000	\$0	\$0	\$80,000	
Total	\$12,050,050	\$2,109,310	\$80,000	\$8,030,000	\$1,642,740	\$188,000	
New Hampshire Department of Transportation	\$1,132,000	\$1,132,000	\$0	\$0	\$0	\$0	
Federal Aviation Administration	\$925,875	\$925,875	\$0	\$0	\$0	\$0	
New Hampshire Department of Transportation -- Bureau of Aeronautics	\$51,435	\$51,435	\$0	\$0	\$0	\$0	
Private Contributions	\$80,000	\$0	\$80,000	\$0	\$0	\$0	
General Fund Supported (Property Taxes)	\$4,250,000	\$0	\$0	\$4,250,000	\$0	\$0	
Water Treatment and Distribution Fund Supported (Water Service Fees)	\$1,890,000	\$0	\$0	\$1,890,000	\$0	\$0	
Sewage Collection and Disposal Fund Supported (Sewer Service Fees)	\$1,890,000	\$0	\$0	\$1,890,000	\$0	\$0	
Capital Reserve Funds	\$1,400,000	\$0	\$0	\$0	\$1,400,000	\$0	
Passenger Facility Charge Fees	\$80,740	\$0	\$0	\$0	\$80,740	\$0	
Public Facilities Impact Fees (Recreation)	\$50,000	\$0	\$0	\$0	\$50,000	\$0	
Transfer from General Fund	\$65,000	\$0	\$0	\$0	\$65,000	\$0	
Transfer from Municipal Airport Fund	\$47,000	\$0	\$0	\$0	\$47,000	\$0	
Transfers from Existing Capital Projects	\$188,000	\$0	\$0	\$0	\$0	\$188,000	
Total	\$12,050,050	\$2,109,310	\$80,000	\$8,030,000	\$1,642,740	\$188,000	

The 2017 Capital Improvements Budget consists of the following categorical improvements (Table No. 3): Bridges, \$665,000, 5.5%; Buildings, \$186,300, 1.5%; Streets and Utilities, \$6,600,000, 54.8%; Vehicles and Equipment, \$1,520,000, 12.6%; Airport Infrastructure, \$958,750, 8.0%; and Other, \$2,120,000, 17.6%.

- 95.5% of Street and Utilities improvements are for the Combined Sewer Overflow Separation and Utility Replacement project; 42.9% and 37.7% of Other projects are for the Mascoma River Greenway and Lahaye Drive Pedestrian & Bike Improvements projects, respectively.

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Table No. 3

Type of Project	2015 Budget	2016 Budget	2017 Budget	\$ Chg.	%Chg.
Bridges	\$280,000	\$370,000	\$665,000	\$295,000	79.7%
Buildings	\$0	\$671,320	\$186,300	(\$485,020)	-72.2%
Streets and Utilities	\$9,250,000	\$6,770,000	\$6,600,000	(\$170,000)	-2.5%
Vehicles and Equipment	\$1,255,000	\$810,000	\$1,520,000	\$710,000	87.7%
Airport Infrastructure	\$0	\$2,987,000	\$958,750	(\$2,028,250)	-67.9%
Other*	\$810,000	\$315,000	\$2,120,000	\$1,805,000	573.0%
Total	\$11,595,000	\$11,923,320	\$12,050,050	\$126,730	1.1%
*Other 2017 --					
Downtown Visioning and Tunnel Project			\$200,000		
Skatepark Redevelopment			\$50,000		
Underground Fuel Storage Tank Replacement			\$90,000		
Terminal Area Americans with Disabilities Act Improvements			\$70,000		
Mascoma River Greenway			\$910,000		
Lahaye Drive Pedestrian & Bike Improvements			\$800,000		
			Total	\$2,120,000	

Table No. 4

Expenditure Type	2015 Budget	2016 Budget	2017 Budget	\$ Chg.	%Chg.
General Construction	\$9,150,000	\$10,584,100	\$9,299,550	(\$1,284,550)	-12.1%
Architecture and Engineering	\$1,190,000	\$529,220	\$850,500	\$321,280	60.7%
Machinery, Vehicles and Equipment	\$1,255,000	\$810,000	\$1,900,000	\$1,090,000	134.6%
Total	\$11,595,000	\$11,923,320	\$12,050,050	\$126,730	1.1%

Estimated revenues are \$11,862,050, a decrease of <\$61,270>, or <0.5%>, from 2016. Most project financing -- \$8,030,000, or 67.7% -- is from the issuance of long-term debt followed by intergovernmental (grants) -- \$2,049,310, or 17.8% -- and interfund transfers (existing funds) -- \$1,577,740 or 13.8% -- and other revenues (private donations/contributions) -- \$80,000 or 0.7% (Table No. 6 – 9).

- The \$188,000 difference between total estimated revenues of \$11,862,050 and projected expenditures of \$12,050,050 is made up from available project balances (applied fund balance) transferred as a funding constituent to the Mechanic Street Bridge Improvements, Trues Brook Road Bridge #066-059 and Lahaye Drive Pedestrian & Bike Improvements projects from the completed Slayton Hill Reconstruction projection.
- \$2,520,000 of the total General Fund (tax rate supported) related projected debt issuance of \$4,250,000 is for the Combined Sewer Overflow Separation and Utility Replacement project; all Water Treatment And Distribution Fund and Sewage Collection and Disposal Fund (service rate supported) related projected debt issuance (\$1,890,000) is for the Combined Sewer Overflow Separation and Utility Replacement project.

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Table No. 5

<u>Source of Revenues</u>	<u>2015 Budget</u>	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>\$ Chg.</u>	<u>%Chg.</u>
Intergovernmental (Grants)	\$2,744,000	\$3,133,650	\$2,109,310	(\$1,024,340)	-32.7%
Other	\$0	\$0	\$80,000	\$80,000	-
Bond/Note Proceeds (Debt Issuance)	\$7,245,920	\$7,449,410	\$8,030,000	\$580,590	7.8%
Interfund Transfers (Existing Funds)	\$1,605,080	\$1,340,260	\$1,642,740	\$302,480	22.6%
Total	\$11,595,000	\$11,923,320	\$11,862,050	(\$61,270)	-0.5%
Applied (Realized) Fund Balance	\$0	\$0	\$188,000	\$188,000	-
Total Revenues and Fund Balance	\$11,595,000	\$11,923,320	\$12,050,050	\$126,730	1.1%

Table No. 6

<u>Bond/Note Proceeds (Debt Issuance)</u>	<u>2015 Budget</u>	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>\$ Chg.</u>	<u>%Chg.</u>
General Fund Supported	\$3,513,920	\$2,707,410	\$4,250,000	\$1,542,590	57.0%
Water Treatment and Distribution Fund Supported	\$1,491,000	\$1,521,000	\$1,890,000	\$369,000	24.3%
Sewage Collection and Disposal Fund Supported	\$2,241,000	\$3,221,000	\$1,890,000	(\$1,331,000)	-41.3%
Total	\$7,245,920	\$7,449,410	\$8,030,000	\$580,590	7.8%

Table No. 7

<u>Intergovernmental Revenues (Grants)</u>	<u>2015 Budget</u>	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>\$ Chg.</u>	<u>%Chg.</u>
New Hampshire Department of Transportation	\$2,744,000	\$296,000	\$1,132,000	\$836,000	282.4%
Federal Aviation Administration	\$0	\$2,688,300	\$925,875	(\$1,762,425)	-65.6%
New Hampshire Department of Transportation -- Bureau of Aeronautics	\$0	\$149,350	\$51,435	(\$97,915)	-65.6%
Total	\$2,744,000	\$3,133,650	\$2,109,310	(\$1,024,340)	-32.7%

Table No. 8

<u>Interfund Transfers Revenues</u>	<u>2015 Budget</u>	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>\$ Chg.</u>	<u>%Chg.</u>
Capital Reserve Funds	\$1,535,000	\$1,060,000	\$1,400,000	\$340,000	32.1%
Water Investment Fee	\$70,080	\$0	\$0	\$0	0.0%
Public Facilities Impact Fees	\$0	\$49,590	\$50,000	\$410	0.8%
Passenger Facility Charge Fees	\$0	\$154,100	\$80,740	(\$73,360)	-47.6%
General Fund Operating Budget Transfers	\$0	\$0	\$65,000	\$65,000	-
Municipal Airport Fund Operating Budget Transfers	\$0	\$76,570	\$47,000	(\$29,570)	-38.6%
Total	\$1,605,080	\$1,340,260	\$1,642,740	\$302,480	22.6%

Table No. 9

<u>Other Revenues</u>	<u>2015 Budget</u>	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>\$ Chg.</u>	<u>%Chg.</u>
Contributions	\$0	\$0	\$80,000	\$80,000	=
Total	\$0	\$0	\$80,000	\$80,000	=

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2017 – 2022 Capital Improvement Program:

The City identifies anticipated capital expenditures annually in a six-year Capital Improvement Program (CIP) which has two components: the capital budget (the first year of the program and the capital plan (the remaining five-years). Not included in the CIP are projects that: 1) extend beyond the six-year planning horizon; 2) may require further discussion and conceptual development; 3) have associated costs, or non-City funding, of a problematic or uncertain nature. Table No. 10 shows the current CIP by responsible department, project and projected year of implementation. See the 2017 – 2022 Capital Improvement Program for more information.

Table No. 10

Department	Project	2017 - 2022	2017	2018	2019	2020	2021	2022
FIRE	Engine #4 Replacement	\$620,000	\$620,000	\$0	\$0	\$0	\$0	\$0
FIRE	Radio Replacement	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0
FIRE	Staff Vehicles Replacement	\$90,000	\$90,000	\$0	\$0	\$0	\$0	\$0
PUBLIC WORKS	Combined Sewer Overflow Separation/Utility Replacement	\$12,800,000	\$6,300,000	\$6,500,000	\$0	\$0	\$0	\$0
PUBLIC WORKS	Mechanic Street Bridge #120-115	\$300,000	\$300,000	\$0	\$0	\$0	\$0	\$0
PUBLIC WORKS	Downtown Visioning and Tunnel Project*	\$200,000	\$200,000	\$0	\$0	\$0	\$0	\$0
PUBLIC WORKS	DPW Fleet and Equipment Replacement	\$2,100,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000
RECREATION/PAI	Skatepark Redevelopment	\$150,000	\$50,000	\$50,000	\$50,000	\$0	\$0	\$0
PUBLIC WORKS	Trues Brook Road Bridge #066-059	\$1,660,000	\$240,000	\$0	\$0	\$0	\$0	\$1,420,000
PUBLIC WORKS	Landfill Truck Scale Replacement	\$280,000	\$280,000	\$0	\$0	\$0	\$0	\$0
PUBLIC WORKS	Water Treatment Facility Upgrade	\$3,080,000	\$110,000	\$2,970,000	\$0	\$0	\$0	\$0
PUBLIC WORKS	Loader Replacement	\$80,000	\$80,000	\$0	\$0	\$0	\$0	\$0
PUBLIC WORKS	Underground Fuel Storage Tank Replacement	\$90,000	\$90,000	\$0	\$0	\$0	\$0	\$0
PUBLIC WORKS	CMOM (Capacity Management Operations Maintenance Plan)	\$600,000	\$300,000	\$300,000	\$0	\$0	\$0	\$0
AIRPORT	Terminal Area Americans with Disabilities Act Improvements	\$70,000	\$70,000	\$0	\$0	\$0	\$0	\$0
AIRPORT	Airport Business Plan	\$70,000	\$70,000	\$0	\$0	\$0	\$0	\$0
AIRPORT	Airport Layout Plan and Environmental Assessment	\$200,500	\$200,500	\$0	\$0	\$0	\$0	\$0
AIRPORT	Hazard/Obstruction Removal	\$758,250	\$758,250	\$0	\$0	\$0	\$0	\$0
AIRPORT	Airport Terminal Building Boiler and Rooftop AC Units	\$76,300	\$76,300	\$0	\$0	\$0	\$0	\$0
RECREATION/PAI	Mascoma River Greenway	\$660,000	\$660,000	\$0	\$0	\$0	\$0	\$0
PLANNING & ZON	Lahaye Drive Pedestrian & Bike Improvements	\$800,000	\$800,000	\$0	\$0	\$0	\$0	\$0
FIRE	Emergency Intersection Control System	\$400,000	\$0	\$400,000	\$0	\$0	\$0	\$0
AIRPORT	Reconstruct Airport Terminal Loop Road and Parking Lot	\$390,000	\$0	\$390,000	\$0	\$0	\$0	\$0
AIRPORT	Runway Safety Area Improvements	\$14,840,000	\$0	\$3,000,000	\$5,580,000	\$6,260,000	\$0	\$0
CITY MANAGER	City Hall Renovation Phase I	\$1,060,000	\$0	\$1,060,000	\$0	\$0	\$0	\$0
CITY MANAGER	City Hall Renovation Phase II	\$2,550,000	\$0	\$110,000	\$2,440,000	\$0	\$0	\$0
FIRE	Rescue #1 Replacement	\$550,000	\$0	\$550,000	\$0	\$0	\$0	\$0
FIRE	Station Alerting System Installation	\$110,000	\$0	\$110,000	\$0	\$0	\$0	\$0
PUBLIC WORKS	Packard Hill Bridge #154-113 Replacement	\$970,000	\$0	\$970,000	\$0	\$0	\$0	\$0
PUBLIC WORKS	South Main Street Bridge #062-117	\$5,000,000	\$0	\$5,000,000	\$0	\$0	\$0	\$0
PUBLIC WORKS	Compactor Rebuild #40-07	\$410,000	\$0	\$410,000	\$0	\$0	\$0	\$0
AIRPORT	Replace Airfield Snowblower	\$500,000	\$0	\$500,000	\$0	\$0	\$0	\$0
AIRPORT	Ramp Plow Replacement	\$60,000	\$0	\$60,000	\$0	\$0	\$0	\$0
FIRE	Personal Protective Equipment Replacement	\$110,000	\$0	\$0	\$110,000	\$0	\$0	\$0
PUBLIC WORKS	NH120/Hanover Street Bridge #121-117 Replacement	\$150,000	\$0	\$0	\$150,000	\$0	\$0	\$0
PUBLIC WORKS	Hillcrest Acres Infrastructure Construction	\$5,960,000	\$0	\$0	\$5,960,000	\$0	\$0	\$0

Department	Project	2017 - 2022	2017	2018	2019	2020	2021	2022	
AIRPORT	Snow Removal Equipment Building Expansion	\$1,000,000	\$0	\$0	\$1,000,000	\$0	\$0	\$0	
AIRPORT	Extend Taxiway A to Runway 36	\$4,380,000	\$0	\$0	\$760,000	\$1,810,000	\$1,810,000	\$0	
PUBLIC WORKS	Mack Avenue Utility Replacement	\$1,630,000	\$0	\$0	\$0	\$1,630,000	\$0	\$0	
FIRE	Ambulance Replacement	\$555,000	\$0	\$0	\$0	\$265,000	\$0	\$290,000	
PUBLIC WORKS	Streets Rehabilitation/Reconstruction	\$10,610,000	\$0	\$0	\$0	\$6,300,000	\$2,150,000	\$2,160,000	
PUBLIC WORKS	Mill Road Slope Stabilization and Drainage Improvements	\$3,200,000	\$0	\$0	\$0	\$3,200,000	\$0	\$0	
PUBLIC WORKS	Recycling Center Skid Steer Replacement	\$60,000	\$0	\$0	\$0	\$60,000	\$0	\$0	
PUBLIC WORKS	Landfill Phase III Preliminary Design	\$150,000	\$0	\$0	\$0	\$150,000	\$0	\$0	
FIRE	Forestry Unit Acquisition	\$100,000	\$0	\$0	\$0	\$0	\$100,000	\$0	
FIRE	F-350 Utility Vehicle Replacement	\$60,000	\$0	\$0	\$0	\$0	\$60,000	\$0	
FIRE	Ladder #1 Replacement	\$1,500,000	\$0	\$0	\$0	\$0	\$1,500,000	\$0	
PUBLIC WORKS	Mechanic Street Reconstruction	\$15,000,000	\$0	\$0	\$0	\$0	\$0	\$15,000,000	
AIRPORT	Property Survey Exhibit A Update	\$70,000	\$0	\$0	\$0	\$0	\$0	\$70,000	
		Total	\$96,160,050	\$11,745,050	\$22,730,000	\$16,400,000	\$20,025,000	\$5,970,000	\$19,290,000

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Table No. 11

Source of Funding	2017 - 2022	2017	2018	2019	2020	2021	2022
Intergovernmental (Grants)	\$39,114,560	\$2,049,310	\$7,382,000	\$7,093,000	\$7,666,500	\$1,719,500	\$13,204,250
Other	\$130,000	\$80,000	\$50,000	\$0	\$0	\$0	\$0
Bond/Note Proceeds (Debt Issuance)	\$49,575,000	\$7,780,000	\$14,100,000	\$8,717,000	\$10,553,500	\$3,740,500	\$4,684,000
Interfund Transfers (Existing Funds)	\$7,152,490	\$1,647,740	\$1,198,000	\$590,000	\$1,805,000	\$510,000	\$1,401,750
Applied Fund Balance	\$188,000	\$188,000	\$0	\$0	\$0	\$0	\$0
Total	\$96,160,050	\$11,745,050	\$22,730,000	\$16,400,000	\$20,025,000	\$5,970,000	\$19,290,000

2017 Project Summaries:

1. LFD Engine #4 Replacement:

Table No. 12

AMOUNT:	2017-2022 CIP	\$620,000
FINANCING:		
Bond/Note (Debt Issuance)	Property Tax Supported	\$620,000

The Lebanon Fire Department, through long-term planning, has developed a comprehensive vehicle replacement program. This program allows all fire department vehicles and apparatus to remain current with industry standards, reduces maintenance costs and maintains reliable emergency vehicles. In addition to fire apparatus the replacement schedule addresses other vehicles such as staff vehicles, fire alarm bucket truck and ambulances. Engines are due for replacement at 20-years of in service time per National Fire Protection Association Standards. Replacement schedules are based on: (1) safety: industry standards change and increase safety requirements of fire apparatus; (2) after 100,000 miles a high level of maintenance costs are experienced in relation to the estimated value of the apparatus; (3) equipment must be reliable and readily available. Fire Engines must be ready to run at a moment's notice; they are a vital piece of equipment for emergency response. This vehicle in particular is vital to fire department responses outside of the municipal water system as it carries a minimum of 1,500 gallons of water for "Rural" Firefighting operations.

2. LFD Radio Replacement:

Table No. 13

AMOUNT:	2017-2022 CIP	\$100,000
FINANCING:		
Interfund Transfers (Existing Funds)	Fire Equipment and Vehicles Capital Reserve Fund	\$100,000

The Lebanon Fire Department utilizes a digital simulcast radio system for all communications during emergencies. One component of this system are portable radios which allow personnel to communicate when they are away from their assigned vehicle and are a critical public safety tool for personnel safety. The current radios were supplied to the City in 2006 under a State of NH Homeland Security Grant. The Department's experience with these radios has been good; the radios are rugged and reliable. However, this piece of safety equipment is subject to damage and wear and tear through the heavy demands of fire and rescue use. Frequently, several units are out of service for repairs and/or software upgrades. This is becoming increasingly difficult as Motorola no longer makes the model used by the City and parts are usually found as used parts. These radios are at this end of service life. This project will replace 40 portable radios as priced under the State of NH Motorola bid.

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3. LFD Staff Vehicles Replacement:

Table No. 14

AMOUNT:	2017-2022 CIP	\$90,000
FINANCING:		
Interfund Transfers (Existing Funds)	Fire Equipment and Vehicles Capital Reserve Fund	\$90,000

The Lebanon Fire Department, through long-term planning, has developed a comprehensive vehicle replacement program. This program allows all fire department vehicles and apparatus to remain current with industry standards, reduces maintenance costs and maintains reliable emergency vehicles. In addition to fire apparatus the replacement schedule addresses other vehicles such as staff vehicles, fire alarm bucket truck and ambulances. These vehicles (replacement of 2008 Ford Escape and 2008 Taurus staff vehicles – 8-years old) are used by Fire Prevention and Chief Officers for day-to-day duties and emergency response and by department personnel to attend training sessions, meetings and other department related functions. The vehicles have a life cycle of 8-years. Estimated replacement cost is \$45,000 for each vehicle.

4. Combined Sewer Overflow Separation/Utility Replacement:

Table No. 15

AMOUNT:	2017-2022 CIP	\$6,300,000
FINANCING:		
Bond/Note (Debt Issuance)	Property Tax Supported	\$2,520,000
	Water Service Rate Supported	\$1,890,000
	Sewer Service Rate Supported	\$1,890,000

The 2017 CIP funding will include the additional construction funding for CSO Phase XI and the funding for the future design and construction. This project includes approximately 13 streets: Guyer Street, Light Street, Worthen, Cameron, Bliss Street, Granite Street, West Street, Child Street, Mason Street, Young Street, a portion of Mascoma Street a portion of High Street a portion of Blacksmith and Mechanic Street- utilities to include the main trunk-line for drainage, water and sewer, Mechanic street Roadway portion is funded under the Mechanic Street Project, the utilities would fall under the CSO. There is concrete in a portion of the Mechanic Street roadway so during the CSO the City will need to complete full depth reconstruction in Mechanic St. to the existing roadway widths. The drainage does incorporate sizing to for the additional widening. There is also Cooper Street and a small section of Bank Street Ext. and a basin on Bank Street near NHDOT compact zone that is included as well as two basins near the library. The last two streets and three additional basins were discovered thru our CMOM –EPA regulated initiative. The CSO project will separate the storm sewer from the sanitary lines and help in the elimination of the CSO#23, which is due to be eliminated by 2018. The City will be constructing new storm and sanitary lines due to age and conditions. It will also include the replacement of the existing water lines and will encompass full depth pavement reconstruction. This project will improve the water quality in the Mascoma River from both a public health and environmental standpoint. By replacing the existing aged infrastructure it ensures that the City will not be back in the area re-digging due to failures (breaks) in the existing utilities or failed pavement. Attached is an updated projected schedule for the future CSO phases that are necessary to meet the

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Consent Decree of completely separating. An updated schedule is included in the attachment.

This project will help work towards the elimination of the Combined Sewer Overflow #23, and meet the time line set forth in the consent decree. It will comply with the Clean Water Act as well as maintain the City's street and utility infrastructure. This also follows the City's Master Plan objectives: Chapter 5 of the City's master plan discusses the sewer overflow problem and the need for correction. In the Action Program the first goal is to address the issue by completely separating the sewer and storm water collection systems and eliminating the sewer overflows within the next 7-years. The Second goal calls for protecting the capacity of the main sewer interceptor and collection system for the future growth by separating the two systems and insuring that new development does not increase the frequency of combined sewer overflows.

Background

The U.S. Environmental Protection Agency (EPA) notified the City in November 2007 that it planned to file a lawsuit in the U.S. District Court for the State of New Hampshire regarding alleged violations of the Clean Water Act based on a sewer and storm water system in certain older sections of the City that discharged untreated sewer and storm water into two rivers and a brook. As of 2000, the City's system consisted of approximately 38 miles of sewer and interceptors, with approximately 40% of the sewer system comprised of combined sewers conveying both sanitary sewer and storm water flows. In 2000, the EPA issued an Administrative Order that required the City to eliminate six of seven combined sewer overflows by December 31, 2008 and the seventh by December 31, 2012. The City made substantial progress on this but faced a series of logistical challenges that hampered its efforts and delayed the schedule. Because of the delay and the inability of the City to fulfill the requirements of the Administrative Order, the EPA and City negotiated the terms of a consent decree with a revised schedule to settle the lawsuit that was filed at the same time at the federal district court on May 27, 2009. The revised schedule will complete the elimination of combined sewer overflows no later than 2020.

It was clear from the beginning that the mandated work was going to substantially affect a significant portion of the City. It was therefore decided by the City Council to expand the scope of the work to include not just combined sewer overflow separation but also replacement of the aging water and sewer infrastructure and necessary streetscape improvements and upgrades at the same time.

From 2000 through 2016, the City has appropriated \$56.748 million for combined sewer overflow separation and utility replacement (the following table shows the various sources of financing); an additional \$12.800 million may be identified in the City's 2017 - 2022 Capital Improvement Program (in draft form at present) for appropriation 2017 – 2018 making the total appropriation for the work when completed \$69.448 million. Future appropriations are subject to revision depending on construction market activity and how that activity translates into costs and timelines, construction conditions and engineering revisions.

Debt (general obligation and loans through the State Revolving Fund) is the primary source of financing the combined sewer overflow separation and utility replacement work. The consequent cost of borrowing is apportioned to the General Fund, Water Treatment and Distribution Fund, and

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Sewage Collection and Disposal Fund on a 40%, 30%, and 30% basis, respectively. The former is primarily supported through property taxation; the latter two by user fees.

<u>Financing Sources</u>	<u>Amount</u>
Water Treatment and Distribution Fund	\$575,556
Sewage Collection and Disposal Fund	\$20,900
General Fund	\$114,617
Water Investment Fees Fund	\$143,076
Capital Reserve Fund	\$432,790
General Obligation Debt	\$35,975,430
Premium on General Obligation Debt	\$775,890
State Revolving Fund	\$17,409,905
EPA Grants	\$299,400
Community Development Block Grant	\$1,000,000
Total	<u>\$56,747,564</u>

The combined sewer overflow separation work was an Army Corps of Engineers (ACOE) project the first two or three-years (2000 – 2002); without that involvement the total expected cost to the City might have been considerably larger (possibly \$3.5 million). Also, the City received a CDBG of \$1.000 million and an EPA grant of \$299,400 early on in the process. When ACOE involvement was terminated no further financial assistance was made available from the federal government; the work became the sole responsibility of the City to finance.

5. Mechanic Street Bridge Improvements:

Table No. 16

AMOUNT:	2017-2022 CIP	\$300,000
FINANCING:		
Intergovernmental (Grants)	New Hampshire Department of Transportation	\$240,000
Applied Fund Balance	Transfer from Existing Capital Project	\$60,000

This Bridge has deficiencies and the deck and the expansion joints are rated severe. There are other components that are rated substandard. This project has been allocated for funding previously but will be constructed next year with updated construction cost estimates. This project was recommended from NHDOT to be a stand-alone project and to be completed prior to the Mechanic Street Reconstruction Project even though it abuts the beginning of the Mechanic Street Road project. Funding sources for the bridge and road projects are different, State Bridge Aid vs. Federal funding. The intent was to construct the bridge prior to the road will save money and resources as well as alleviate the construction conflicts with traffic and coordination during the CSO and Mechanic Street project. There have been many hold-ups in the environmental review at the State/Federal level and construction will now occur the spring of 2017.

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6. Downtown Visioning and Tunnel Project:

Table No. 17

AMOUNT:	2017-2022 CIP	\$200,000
FINANCING:		
Bond/Note (Debt Issuance)	Property Tax Supported	\$200,000 \$200,000

The existing tunnel is a moderately travelled pedestrian corridor that is part of the infrastructure that leads onto the Mascoma Greenway project. The tunnel has recently lost parts of ceiling and shows signs of continuing failure. The tunnel is currently closed and is being closely monitored. Temporary maintenance repairs will be performed prior to opening for the safety of pedestrians. The tunnel is currently blocked for vehicles as well overhead.

An engineering evaluation/inspection was performed on the tunnel that brought forth the closer. A study in process is intended to determine options with a recommendation for a longer term and more permanent and viable reconstruction or rehabilitation option that would fit with the overall master visioning plan for downtown. The tunnel runs along an essential part of Lebanon Center. \$200,000 has been included for 2017 (to be used in conjunction with the balance of an existing appropriation) as an interim measure to establish connectivity between the Mascoma River Greenway and Northern Rail Trail.

7. DPW Fleet and Equipment Replacement:

Table No. 18

AMOUNT:	2017-2022 CIP	\$350,000
FINANCING:		
Interfund Transfers (Existing Funds)	DPW Vehicles and Equipment Capital Reserve Fund	\$350,000

The Fleet Replacement Plan that had been utilized was a continuation of a Plan that evaluated equipment assigned to the fleet in comparison to the current mission. As a result of that evaluation, some equipment was converted to multipurpose equipment that is more versatile for carrying out the mission of Public Works. The life cycle time previously used as the primary basis for the replacement plan was re-evaluated and in most cases has been extended. However, life cycle is not the only criteria used for determining replacement. Other factors, such as cost of operations and reliability, are now used to recommend replacement. With the ever increasing age of the fleet, the continuing rising cost of replacement assets and the non-parts support of the assets and budget restraints the fleet requires a complete re-evaluation of need, a life cycle appraisal and review of needs on an annual basis.

8. Skatepark Redevelopment:

Table No. 19

AMOUNT:	2017-2022 CIP	\$50,000
FINANCING:		
Interfund Transfers (Existing Funds)	Public Facilities Impact Fees (Recreation)	\$50,000

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The skatepark was built in 2 phases between 2002 and 2003, utilizing CIP funds, grants, and community donations. The construction material of choice at that time was wooden ramps with Skatelite Pro for ramp surfacing, which was proven to withstand our winter freeze and thaw cycles better than concrete. The drawback to wooden ramps was their 10-year useful lifespan, which has now been exceeded by 4-years. The project will transform the skatepark into a concrete park, which has now proven to be the ideal choice for construction even in New England. With proper maintenance and care, a concrete park can be expected to last 50-years. Construction is to take place in phases. Phase I was completed in 2015; Phase II is being completed in spring of 2016. Three more phases at \$50,000 each will be adequate to complete the project by the summer of 2019.

9. Trues Brook Road Bridge #066-059:

Table No. 20

AMOUNT:	2017-2022 CIP		\$240,000
FINANCING:			
Intergovernmental (Grants)	New Hampshire Department of Transportation	\$192,000	\$192,000
Applied Fund Balance	Transfer from Existing Capital Project	\$48,000	\$48,000

This Bridge was built in 1952 and rebuilt in 1986; it is showing signs of deterioration. The bridge has been placed on the NH DOT red list and is eligible for 80% NHDOT funding with 20% City funding through the State Bridge Aid program. This project is currently on the State's 10-year plan for construction in 2022, but may be moved forward.

10. Landfill Truck Scale Replacement:

Table No. 21

AMOUNT:	2017-2022 CIP		\$280,000
FINANCING:			
Interfund Transfers (Existing Funds)	Landfill Improvements Capital Reserve Fund		\$280,000

The Lebanon Landfill utilizes truck scales to document all commercial and other inbound/outbound loads of municipal solid waste and recyclables. These scales are a critical piece of equipment at the Solid Waste Facility. They are used as much as 100 times a day and are in operation 6 days a week. These scales were installed nearly 15-years ago and are showing signs of their age. They have held up well, but are in need of replacement. The associated equipment is no longer in production and replacement parts are hard to find. As part of this replacement, the scale house is also in need of upgrading. The scale house structure is a simple construction trailer and should be a permanent structure.

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11. Water Treatment Facility Upgrade:

Table No. 22

AMOUNT:	2017-2022 CIP	\$110,000
FINANCING:	Water Treatment and Distribution Improvements and	
Interfund Transfers (Existing Funds)	Equipment Capital Reserve Fund	\$110,000

The project is intended to maintain sustainability, effectively improve plant efficiency and operation through replacement and upgrade of plant process equipment. The flocculation-and sedimentation processes are the backbone of the water plant efficiency and effectiveness of treatment. The flocculation-sedimentation processes significantly reduce organics, turbidity and bacteria prior to filtration, providing intricate steps in the process of transforming river water to a high quality potable drinking water. Although current flocculation sedimentation process equipment are serviceable at this time many pieces have reached or are approaching useful life, equipment such as the flocculator drives were installed in approximately 1995 are in near continuous operation. Upgrading the sedimentation basin sludge removal system and include installation of new tube settlers increases the efficiency of the process and improve filter runs. Included in the project request is upgrading and improving of the sedimentation basin splitter box configuration for less carryover of solids to the filter process and improving hydraulic dynamics of the plant at increased flows. Improvements to the processes were identified in a ERR hydraulic study 1999 and the Metcalf & Eddy facility plan 2006.

12. Loader Replacement:

Table No. 23

AMOUNT:	2017-2022 CIP	\$80,000
FINANCING:	Sewage Collection and Disposal Improvements and	
Interfund Transfers (Existing Funds)	Equipment Capital Reserve Fund	\$80,000

The current loader is near the end of its useful life. High maintenance bills during the previous years, and the anticipated need for a new axle, wheels and tires make its replacement more cost effective than the continued maintenance. The loader is used for moving chemical totes and snow removal by the wastewater staff. In addition, it is used by the highway department during storm cleanup to load material into sanders that is stored at the wastewater facility and to remove snow throughout the City. The purchase of a tractor allows all of these tasks to continue and allows for mowing of City easements and property.

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13. Underground Fuel Storage Tank Replacement:

Table No. 24

AMOUNT:	2017-2022 CIP	\$90,000
FINANCING:	Sewage Collection and Disposal Improvements and Equipment Capital Reserve Fund	\$90,000
Interfund Transfers (Existing Funds)		

The current underground storage tank is oversized, does not comply with NHDES standards and is over 20-years old. Retrofitting the current 10,000 gallons tank as required by NHDES during the next fiscal year is estimated to cost \$45,000; replacing the tank is more cost effective long-term as the condition of the current tank is unknown and the slow turnover of the tank leads to sludge buildup.

14. Capacity Management Operations Maintenance Plan (CMOM):

Table No. 25

AMOUNT:	2017-2022 CIP	\$300,000
FINANCING:	Sewage Collection and Disposal Improvements and Equipment Capital Reserve Fund	\$300,000
Interfund Transfers (Existing Funds)		

This project is part of the EPA's consent decree requiring the City to establish a Capacity Management Operations Maintenance (CMOM) plan which will assist the City in the continued maintenance and upkeep of the sewer collection system and enable the City to utilize the system mapping to the fullest extent. The Sewer GIS mapping project plan is to develop a complete and accurate electronic sewer system map and accompanying database of the City's sewer infrastructure system. The mapping is developed utilizing existing City as-built records, City's CAD and GIS field data. The City is a 40 square mile area and has over 58 miles of collection system including gravity sewers, force mains and approximately 1,550 manholes and 74 lamp-holes along with pump stations. This request is to complete the mapping, clean televise and evaluate the pressure mains, and model the system to understand the capacity of the system for planning purposes and to keep track for when the system is reaching its capacity and to track maintenance and upkeep.

15. Airport Terminal Area Americans with Disabilities Act Improvements:

Table No. 26

AMOUNT:	2017-2022 CIP	\$70,000	
FINANCING:			
Intergovernmental (Grants)	Federal Aviation Administration	\$63,000	\$66,500
	New Hampshire Department of Transportation	\$3,500	
Interfund Transfers (Existing Funds)	Passenger Facility Charge Fees	\$3,500	\$3,500

An in-house study is underway to review the airport terminal building parking lots, access roads, terminal building access and egress, and the interior of the terminal building for compliance with current ADA requirements. The study is not as yet done so resultant requirements are not known at this time. It is expected improvements will include parking lots (marking and signage), terminal

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building access (curb ramps, marking and signage and interior and exterior doors), and terminal building (accessible counters, signage, bollards).

16. Airport Layout Plan and Environmental Assessment:

Table No. 27

AMOUNT:	2017-2022 CIP	\$200,500
FINANCING:		
Intergovernmental (Grants)	Federal Aviation Administration	\$180,450
	New Hampshire Department of Transportation	\$10,025
Interfund Transfers (Existing Funds)	Passenger Facility Charge Fees	\$10,025
		\$190,475
		\$10,025

Components of this project are: airport layout plan, environmental assessment re-evaluation and airport mapping. All are required for implementation of runway safety area and taxiway improvements required by the FAA and those improvements and other improvements in the Comprehensive Airport Master Plan and Airport Layout Plans approved by City Council.

In addition to the Airport Layout Plan, the ALP Plan Set typically includes, Airport Airspace Plan (within 10,000- 50,000 feet of the airport showing surfaces and obstructions), Inner Approach Plan and Profile (additional detail between the runway end and 10,000 – 50,000 feet of the runway end), Runway Departure Surface (departure surfaces off the departure end of each of the four runway ends), and Land Use Plan (a land use plan for within the airport boundaries and in the airport vicinity outside of airport boundaries).

The 2012 Environmental Assessment for the Runway Safety Area Improvement Project provided environmental impact and mitigation analysis for Runway Safety Area improvement proposed at that time. The Runway Safety Area improvements proposed as part of the 2016 Comprehensive Airport Master Plan are less in environmental impact than what was proposed in 2012. The re-evaluation will be to determine the extent of the 2012 analysis can be used for the “scaled-down” 2016 recommendations. It is assumed additional airport mapping will be required to address the two prior items.

17. Airport Hazard/Obstruction Removal:

Table No. 28

AMOUNT:	2017-2022 CIP	\$758,250
FINANCING:		
Intergovernmental (Grants)	Federal Aviation Administration	\$682,425
	New Hampshire Department of Transportation	\$37,910
Interfund Transfers (Existing Funds)	Passenger Facility Charge Fees	\$37,915
		\$720,335
		\$37,915

This safety improvement project is the last phase of an obstruction removal project. The obstruction removal project was determined by the City in a previous project required by the Federal Aviation Administration. Completion of this project is also required for the City to comply with grant

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assurances agreed to over a number of decades. Previous grants and contracts have been used on the earlier phases to get to this last point.

Prior to this point planning and an Environmental Assessment have been prepared and a Finding Of No Significant Impact issued; permits have been obtained and mitigation implemented; the 34 acres of obstructions (approximate 300-foot width south of the existing tree line) have been removed with a net profit to the airport; the 30+ obstruction lights along the existing tree line have been removed and replaced with two hazard beacons. This last phase includes relocating approximately 4,300 feet of security fence south to the new tree line and grubbing the uplands (for efficient annual maintenance) and grinding those tree stumps in the wetlands; to not have trees grow back and for efficiency of maintenance. The new fence will include a wildlife barrier “skirt” under 6 inches of earth to keep wildlife outside the fence; a current safety problem for the airport.

18. Airport Terminal Building Boiler and Rooftop AC Units Replacement:

Table No. 29

AMOUNT:	2017-2022 CIP	\$76,300
FINANCING:		
Interfund Transfers (Existing Funds)	Municipal Airport Fund	\$47,000
	Passenger Facility Charge Fees	\$29,300

One of four 20-year old air conditioning units has failed, and the remaining three units are in danger or also failing as they are overworked. The planned replacement would be a significant energy improvement during air conditioning in the summer months as well as heating in the winter months.

The terminal air conditioning units were installed in 1980 and in recent years have not been reliable of energy efficient. In 2012, the airport received an energy audit through the Upper Valley / Lake Sunapee Regional Planning Commission, with improvement of the air conditioning units being a priority. Replacement of the airport air conditioning units was a key recommendation in the Upper Valley / Lake Sunapee Regional Planning Commission energy audit of the airport. As the airport terminal receives more tenants, efficient control and operating of the air conditioning and heating units becomes all the more critical.

The air conditioning units need to be replaced before more of the units fail. Replacement of the units with more energy-efficient air conditioning/heating units is a continuation of the airport’s energy improvements, which began with replacing the incandescent exterior flood/building lighting with energy-efficient LED lighting. The priority at this point as explained above is maintenance and improve efficiency. If one more air conditioning unit fails, the priority would immediately go to mandatory. Based on the experience with the existing units, the useful life of the replacement air conditioning/heating units would be more than 20-years.

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19. Mascoma River Greenway:

Table No. 30

AMOUNT:	2017-2022 CIP	\$660,000	\$910,000
	Augmented	<u>\$250,000</u>	
	Proposed	\$910,000	
FINANCING:			
Bond/Note (Debt Issuance)	Property Tax Supported	\$910,000	\$910,000

The Mascoma River Greenway (MRG) will be a 4 mile long section of the Northern Rail Trail, already identified as being a high recreation and transportation priority for the city. It follows the former Boston and Maine corridor from the current terminus of the Rail Trail at Spencer Street, moves west to Glen Road and ultimately through the approved Iron Horse Development to Seminary Hill Road and Westboro. The strategic East-West alignment provides this unprecedented opportunity to create a scenic, multi-use path running the entire breadth of the city. The MRG will be the core transportation corridor for bikes and pedestrians through the heart of Lebanon and West Lebanon, connecting Lebanon’s neighborhoods with workplaces, schools, child care centers, open spaces, shopping areas, medical center and transit stops. It will accommodate commuting, school, and other non-work trips in addition to recreational uses. In particular, the MRG will serve as the bike pedestrian facility for Route 4, and has been given preliminary approval by NH DOT as such. Linkages into the Greenway from the City’s bike ped network will be located at several junctions along the Greenway.

The MRG will be a 10-14 foot wide paved pathway, able to accommodate all non-motorized modes of transportation including: walking, biking, running, wheelchairs, strollers, skates, skate boards, roller blades, and skis. Half will be plowed in the winter for bike use, and half groomed for skiing.

The City of Lebanon entered into an Agreement for Trail Use with the NH DOT in the fall of 2012, allowing the City to construct this Greenway. This Agreement allows for our perpetual use of the corridor assuming the corridor remains officially “abandoned”. Neither the State of NH, the railroad operator, nor the businesses potentially served by the railroad are interested in seeing rail restored along the MRG segments.

20. Layhaye Drive Pedestrian & Bike Improvements:

Table No. 31

AMOUNT:	2017-2022 CIP		\$800,000
FINANCING:			
Intergovernmental (Grants)	New Hampshire Department of Transportation	\$640,000	\$640,000
Other	Contributions	\$80,000	\$80,000
Applied Fund Balance	Transfer from Existing Capital Project	\$80,000	\$80,000

The City proposes to construct pedestrian and bicyclist improvements along Layhaye Drive to better connect Dartmouth-Hitchcock Medical Center (DHMC) and the Centerra and Altaria Business Parks. As shown on the attached overview map, there are already sidewalk networks within Centerra and on the DHMC campus. In addition, a series of bike lanes/shoulders and separated, multi-use paths either

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already exist or have been approved for construction in association with surrounding development projects. However, there remains a significant gap in connectivity between Mt. Support Road and NH Route 120, particularly for those walking or biking to and from the south along the Mt. Support Road multi-use path. It is worth noting that the City already plows and maintains the Mt. Support Road multi-use path and the public sidewalks within Centerra.

Over the last 12 months, more than 175 residential dwelling units have been approved within the Centerra and Altaria Business Parks. One of the key benefits of locating housing near jobs in this area of the City is to allow the opportunity for residents to walk or bike to work at jobs within the business parks or at the medical center, provided that the infrastructure exists. This missing link is also important as DHMC maintains a large amount of office space within Centerra that requires routine travel to and from the medical center campus. In addition, the restaurants and stores in Centerra are regularly frequented by DHMC staff and visitors and having the ability to safely and conveniently walk or bike between these destinations may be attractive to some residents and employees in the area.

The need for a multi-modal transportation network is mentioned throughout the 2012 Master Plan. The need for a pedestrian/bicyclist connection along Lahaye Drive was also mentioned in the 1995 Interim Report to the City Council from the Bicycle & Pedestrian Pathway Committee as a component of a larger project to connect Mt. Support to DHMC. The City completed a multi-use path along Mt. Support Road several years ago, which has been well used for commuting and recreation since its opening.

The connection between DHMC and Centerra was also highly ranked by the NH Route 120 Bicycle-Pedestrian Working Group, which included numerous representatives from Hanover and Lebanon as well as the Upper Valley Lake Sunapee Regional Planning Commission, NH Department of Transportation, Upper Valley Trails Alliance, and Upper Valley Land Trust. The Working Group met from March 2010 through April 2012 to identify and prioritize different alternatives for improved ped/bike connectivity in the Route 120 corridor. The DHMC-Centerra connection was scored as the 3rd highest priority of the 10-12 routes screened. The only alternatives that rated higher included a connection along the east side of Route 120 (a portion of which has been approved for construction by the Altaria development) and a Hanover-DHMC connection (which is currently being discussed by the Town and hospital).

To enable construction of the proposed improvements, the City expects to apply for funding under the Transportation Alternatives Program (TAP) through the NHDOT. The goal of the federally-funded TAP program is to provide choices for non-motorized users that are safe, reliable, and convenient. Eligible TAP activities include construction, planning, and design of on-road and off-road trail facilities for pedestrians, bicyclists, and other non-motorized forms of transportation, including sidewalks, bicycle infrastructure, pedestrian and bicycle signals.

Under the NHDOTs TAP Program rules, submission of a Letter of Intent by July 1, 2016 was a mandatory first step for any community wishing to submit a formal application for funding. The City of Lebanon was the only community in the Upper Valley Lake Sunapee region to submit a Letter of Intent for the program and, as a result, is the only community in the region that is permitted to prepare

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and submit a formal application for TAP funding in the current 2016 round.

If the City is approved for TAP Program funding in this round, it is anticipated that preliminary engineering and design would commence in 2017 and construction would occur in 2018. However, a community's chances for funding are enhanced by a demonstrated commitment to the project, such as through the inclusion of the project in the CIP program. The City is also working with Dartmouth-Hitchcock and Dartmouth College as partners and supporters for contributions toward the required 20% local match.