

**CANAAN BOARD OF SELECTMEN
MEETING MINUTES
TUESDAY, MAY 26, 2009**

The meeting was brought to order at 7:00PM by Chairman Bob Reagan. Selectman Scott Borthwick, Selectman Tim Lewis and Town Administrator Michael Capone were also in attendance. Others present: Al Posnanski, Elwin Neily, Philip Salvail, Phil Carter, Patsy Carter, Nelson Therriault, Bill Gibbons, Karen Wolk, Ellie Davis, Chris Dow, John Dow, Joe Butterfield, Katina Caraganis, Lola Baldwin, John Bergeron, Chuck Townsend, Nan Munsey and Rick Skarinka. Chairman Reagan led those in attendance in reciting our pledge of allegiance.

Public Hearing on Warrant Article for Special Town Meeting

The public hearing was opened at 7:02PM. Chairman Reagan read the warrant article. Nelson Therriault asked about the project and Chairman Reagan presented a brief overview of what had been accomplished to date and what was being proposed. Chuck Townsend asked about the condition of the well. Selectman Lewis noted that it was producing 18 gallons per minute and the quality of the water is good.

Bill Gibbons voiced his strong objection to taking any stimulus money because of the possible strings attached. Rick Skarinka, of the New Hampshire Department of Environmental Services (NHDES), explained how the funding would work and noted that the two requirements for the Federal Stimulus money were adherence to the buy America provision and Davis Bacon Wage rules. Both were seen as not adding to the cost of the project because most of the materials that would be used to complete the well blending were American made and most of the firms that would be bidding on the contract already paid prevailing wage to their workers.

Karen Wolk expressed concern that the Board would not accept the Stimulus money. She questioned Selectman Borthwick with regard to his objection to taking stimulus funds. Selectman Borthwick expressed his reservations with spending government funds, especially stimulus money, for any project because it was creating huge deficits that we would all end up paying for in the long term. He felt that accepting stimulus money violated his constitutional oath of office.

Nan Munsey expressed her hope that the warrant article would pass and the funding would be accepted because it would offset some of the expense of the project.

Phil Carter asked what would happen if the warrant article was defeated. Michael noted that we would still have to complete the project, but would have to do so with other funds. Rick Skarinka noted that a rejection of the warrant article might be viewed unfavorably by EPA. To date, they have not issued fines for non compliance, but if they felt that the Town was not taking sufficient action to address the problem they might step up enforcement.

John Bergeron asked about funding the other water projects on the list. Rick Skarinka noted that this was the only project that the Board was going forward with at this time.

The Board took the opportunity to explain the funding process emphasizing that if the projects objectives were met any unspent funds could be returned to the State. At that point, 50% of the funds spent on the project would be forgiven by NHDES and the balance converted to a loan amount that could be paid off as defined by the warrant article.

The Public hearing was closed at 8:02PM

Minutes of April 28, 2009 Meeting

The Board reviewed the minutes and voted the following: Selectman Borthwick moved and Selectman Lewis seconded the motion to accept the minutes of the April 28, 2009 meeting as written. The Board voted 3-0 in favor of the motion.

Minutes of May 12, 2009 Meeting

The Board reviewed the minutes and voted the following: Selectman Lewis moved and Selectman Borthwick seconded the motion to accept the minutes of the May 12, 2009 meeting as written. The Board voted 3-0 in favor of the motion.

Budget vs. Actual

Michael reviewed the 5/26/09 budget worksheet with the Board and those present. He noted that 21 weeks into the budget year account balances should be near 60.0%. The overall balance is at 67.10%. Michael reviewed those items that were below 60.0% and explained the circumstances surrounding each balance. Among the lines that have lower than expected balances and are being watched closely are Health and Safety, Government Buildings Repairs and Maintenance, Police Department Overtime, Welfare Rental Assistance and Welfare Utility Assistance. Michael also mentioned that he was going to check on the Highway Department and Transfer Station Electricity lines to see why they are running below projections. Ellie Davis asked about two of the encumbered amounts under the Mechanics Parts and the Government Buildings Repairs and Maintenance lines. Michael explained that the money under the Mechanics Parts line was for replacement tires for the loader. The Town had an opportunity to purchase these tires at a reduced cost so the Board authorized the purchase, but the tires will not be delivered until July to minimize impact to cash flow. The amount encumbered under Government Building Repairs and Maintenance was to pay for a service contract on the exhaust recovery system in the Fire Department apparatus bay.

Karen Wolk asked about the allocations for the various charitable groups that were added to the budget. Chairman Reagan commented that the Board would wait until the end of the year to see if some of those funds might be needed to supplement the Human Services/Welfare budget or other budget lines.

Update on Smoke Testing for Sewer System

Michael informed the Board that the smoke testing was scheduled to begin on June 16, 2009. He presented the Board with a draft of the informational letter that would be sent to residents to inform them of the testing. This letter was only going to sewer users. Michael also informed the Board that he would be putting a notice in the paper with regard to the testing as well. He asked the Board to review the letter and let him know if they wanted to make any changes to it. He will be mailing out copies of the letter next week.

Update on Uniform program

Michael reviewed the latest quotes he had received from vendors with the Board. They contained changes to the lease no wash program to include extra clothing for the Mechanic. Michael mentioned that he had not heard back from one vendor with regard to the request on pricing changes to upgrade to a full program after one year of lease no wash.

After reviewing the pricing the Board was inclined to try the lease no wash program for one year and upgrade to the full program if needed. They will make a final decision pending the answer Michael receives regarding upgrade costs.

Other Business

Michael informed the Board of a large brushfire that had occurred over the weekend off of route 118. Chief Bellion wanted the Board to be aware that there would be an impact to the payroll based on the number of firefighters called out and the length of time on scene.

Michael mentioned that the final audit was finished. Copies were being distributed to the Board, the Town Clerk, the Chairman of the Budget Committee, the Finance Director, the Treasurer and the Trustee of Trust Funds. A copy would be available in the front office and in the library as well.

Michael reported that he was coordinating an informational mailing with the Water Source Protection Committee and Cardigan Mountain School. The documents would be sent to residents in the watershed area. Combining the mailings would save on production and mailing costs. The mailings would be available in time for the Water Source Protection Committee meeting on June 1, 2009.

Selectman Borthwick reported that a resident had offered her garage to the Meetinghouse Committee provided they move it from her property. There was concern expressed that altering the configuration on the meetinghouse lot would conflict with LCHIP stipulations for the property.

John Bergeron reported that a boat had entered the reservoir area on the lake. Michael was going to check with Bob Scott to find out about when the buoys marking off that part of the lake were going to be put in place.

Selectman Lewis asked the other members of the Board how they wished to proceed with the Bath House and the Cozy Corner. Selectman Borthwick mentioned that he would like to review the matter in December. Chairman Reagan agreed.

Non-Public Session (RSA 91 – A.3-c)

With no further business before the Board, at 9:00 PM Selectman Borthwick moved, Selectman Lewis seconded and the Board voted 3-0 by roll call vote to go into non public session to discuss a personnel matter and advice from legal counsel. At 9:53 PM Selectman Borthwick made a motion to come out of non-public session. The motion was seconded by Selectman Lewis and voted 3-0 by roll call vote. At 9:53 PM Selectman Borthwick made a motion to seal the minutes of the non public session. The motion was seconded by Selectman Lewis and voted 3-0 by roll call vote. At 9:54 PM Selectman Borthwick made a motion to adjourn. The motion was seconded by Selectman Lewis and voted 3-0 by the Board.

Robert Reagan, Chairman

Scott Borthwick

Tim Lewis
Canaan Board of Selectmen