

**CANAAN BOARD OF SELECTMEN  
MEETING MINUTES  
Tuesday, October 20, 2020**

Scott Borthwick called the open meeting to order at 5:00 PM at the Conference Room Under Library. In attendance were Selectmen Scott Borthwick, Dave McAlister and Al Posnanski, and TA Samson. Others: Ellie Davis.

Minutes 10/6/2020.

Motion by Dave McAlister and second by Al Posnanski to approve the minutes of 10/6/2020. Unanimous.

#### DRA Reports

Samson circulated DRA reports for signature and review. The Board signed the MS-5 and MS-1. Samson signed the MS-4 and MS-60A.

#### Fuel Bids

Samson indicated the Town only received one quote for fuel but the quote was good. Irving bid \$1.18 per gallon for propane and \$1.591 for heating oil. That will reduce the budgeted cost by \$5,300. Motion by Dave McAlister and second by Al Posnanski to award the bid to Irving. Unanimous. Service will still be performed by Inov8v.

#### Budget 2020 and 2021

Samson indicated that based on revenue numbers, he believed that the Town tax rate was going to increase by 3%. He also felt that the 2021 budget would need a 3.35% increase. Most of this is related to paying off Fairpoint and restoring the unassigned fund balance that provides capital reserve funding that has been lost during the past two years (related to flood costs, Fairpoint and the ambulance acquisition). Samson reviewed the 2021 budget numbers, discussed the savings effects of using large health insurance deductibles (less than \$15,000 a year or about 3% of health budget), discussed the roll of health insurance in hiring, noted the fact that almost half of the employees have high premium shares now, and identified three possible areas of savings. The Board consensus was to stay with the proposed budget. Health insurance is still the only significant unknown at this point.

#### Covid-19 Funding

Samson indicated that he had been advised by NHMA that all payroll for fire, police and EMS was eligible for reimbursement from GOFERR (Covid-19) funds for payroll between September 1 and October 15. He will be preparing the reimbursement request and believes that it will reimburse the Town about \$86,000. The current known needs are to acquire monitors for the ambulance service and to cover a shortage \$37,000 on a truck purchase for highway. We will hold a hearing on the uses after receiving the funds. The Board approved by consensus.

#### Water and Sewer Rates

Samson restated the need for water and sewer rate increases. We need to replace the water line from Canaan Street Lake to the water plat and from the water plant to the Village. The cost is \$1.2 million dollars and we are hoping for a grant to cover half of the cost. The balance would be paid by taking out a loan that will require \$27,000 a year in debt service payments. The second issue is that we need to hire at least a half time operator to cover all of the operational shifts of the combined systems and help John Coffey with repairs and maintenance. That cost will be about \$30,000 a year including benefits. In looking at current water and sewer fees, Samson discovered that the original rates set in 2012 were not fully plugged into the Avitar billing system. They were inadvertently set at about 50% of what had been approved. This was apparently due to an Avitar misunderstanding. If the actual approved rates had been added correctly to the software, there would be enough money to cover the new expense but the cost from the correct rates would have been double. The proposed rates will increase costs by about 50%. Part of that increase will be to charge a rate for a minimum threshold of use of 3,000 gallons a quarter or about 33 gallons a day. The minimum quarterly charge will go to \$46.96. The lowest current user pays \$3.17 for 190 gallons of water used. Overall this raises revenue by about 10%. The balance of the money needed will be raised by increasing the per gallon use charge from \$.0167 per gallon \$.0235 per gallon. This is a 40% increase in fees. The Board asked when this would go into effect. He indicated that after two hearings, we would put it in effect for the second quarter of 2021. The consensus of the Board was to approve the proposed rates. Samson indicated that he would continue to look at other options as well.

#### Other Business

Samson reported that the Food Mart was renting apartments again and was rumored to be on the market for sale. The Mart has never provided proof of being bedbug free. The push trailer for recycling has experienced loss of running lights and recycling has been suspended until it can be fixed. The repairs could take up to a week. The burn pit at the Transfer Station is open again. It was reported that burning instructions from Hanover Dispatch to canaan residents is not tracking wiuth notices from the Canaan Fire Department.

At 6:15 PM Selectman Al Posnanski moved to adjourn. Second by Dave McAlister. Unanimously approved.

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Scott Borthwick, Chairman

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David McAlister

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Al Posnanski  
Canaan Board of Selectmen