



**Town Council Finance Committee Meeting**  
**Tuesday, January 28, 2020 – 2:30 p.m.**  
**Town Room, Town Hall**  
**Minutes**

Members present: Shalini Bahl-Milne, Lynn Griesemer, Dorothy Pam, Cathy Schoen, and Andy Steinberg. Non-voting members Sharon Povinelli, Robert Hegner, Mary Lou Theilman

Members absent: None

Others: Interim Finance Director Sonia Aldrich, Superintendent of Public Works Guilford Mooring, Information and Technology Director Sean Hannon, Clerk of the Council Athena O’Keeffe

**Call to Order**

Chair Andrew Steinberg called the meeting to order at 2:35 p.m. and announced audio and video recording by Amherst Media. He announced the agenda would be addressed out of order to address financial orders first while department heads are present.

**Agenda item 4. Vote and Recommend Council Orders**

**A. Council Order 20-64**

S.Aldrich spoke to the need to repurpose capital of \$212,000 that was appropriated in the Spring from free cash to install a temporary bridge on Station Road. The bridge costs were under what was estimated so there are remaining funds in the capital account that can be closed out to free cash or be repurposed. There is a need to fix a traffic light at an intersection in North Amherst at Meadow Street and Pine Street that will be less than the remaining monies. Therefore, the order was made more general to be used for the traffic light and roads and sidewalks.

G. Mooring explained the Town moved quickly to estimate the cost of the temporary bridge on Station Road based on figures from the engineers using outside labor and design. Money was saved on design by purchasing an off-the-shelf product and on labor by using Town employees instead of contracting out. An appropriation may be needed in about six months for the permanent bridge. There is no appropriation for the permanent bridge once the planning and permitting process is complete.

Members asked about the approval by the Massachusetts Department of Transportation for the temporary bridge, if funding for the Town’s highway crew time was paid for by the project, and the durability of the temporary bridge.

D. Pam commented the committee was originally told the temporary bridge could be in place for twenty years. Mooring explained in the engineering stage, twenty years was an acceptable estimate. The Town is now being told they will not be able to keep it up that long for permitting.

Members also asked about potential state funds to pay for a permanent bridge and status of the Town’s application. Mooring outlined the funding, permitting, and building timeline, and explained

the permanent bridge will cost between \$1 and 2 million. G. Mooring confirmed the temporary bridge can be reused or resold.

Mooring described the proposed changes for the North Amherst intersection involves hanging span wire and new lights on the telephone poles that will last for a long time but is not meant as a permanent solution. The new lights will allow left turns from Meadow Street and Pine Street and to program for length of time for left only, and will also allow for a pedestrian cycle. This fix will also minimize damage to lights from tractor trailers which causes the lights to go in to flash mode. A system to add pedestrians and cyclists counters will be added.

C. Schoen confirmed with Mooring that the new system will also be able to count cars. C. Schoen also inquired about the timing of the turn cycles in the morning and evening. G. Mooring responded that the light will adjust based on the flow of traffic and will adjust its own cycle time.

L. Griesemer inquired about how this impacts the move to a permanent solution. G. Mooring explained this depends on what the Town decides the permanent solution is. The new lights can be put on permanent poles in the future. They could also be used at a different intersection if a roundabout is put in there instead.

Mooring confirmed the estimates are currently \$80,000 for the light, and the remainder will go to roads and sidewalks. The light will not be able to account for the flow of traffic from Route 63 from the North before cars reach the intersection. (The merger with Sunderland road just north of the intersection.)

**MOTION:** Moved by Griesemer, seconded by Schoen, to recommend to the Council Order number 20-64 as presented.

**VOTE:**5-0 in favor to recommend to the Council Order number 20-64 as presented.

## **B. Council Order 20-68**

S. Aldrich explained this is a continuation of our Capital Plan recommendations. One borrowing authorization is for the I-net, which replaces the existing Comcast loop. Most of the debt services will be paid back from the Comcast contract PEG funds. We have \$450,000 coming in over next five years, which will pay the debt service. There are other sections of the I-net that need to be built. To sign the contract we had to have authorizations for the entire contract. More than likely the rest, the other \$589,000 will be paid back by Water and Sewer since those are the sections we are reaching.

S. Hannon explained what the I-net loop is. The Town currently has fiber optic cable that was installed for broadcasting meetings. The Town started using it for network connectivity for between about twenty sites like offices and schools. During the 2016 Comcast franchise re-negotiation, Comcast changed the contract to state this network fiber will expire in October 2020. The Town negotiated for funding back from Comcast to install Town owned fiber to connect the buildings.

A. Steinberg disclosed that he was on the negotiating team for the contract with Comcast and with Amherst Media. A. Steinberg stated if the Town doesn't replace the fiber ourselves, we will have to purchase services on an ongoing bases which will be much more costly than this proposal.

C. Schoen inquired if this was already figured in to the Capital Plans for this year. S. Aldrich confirmed it is part of the borrowing authorizations that was part of the Capital Plan for this year.

R.Hegner inquired about the longevity and maintenance involved in the new fiber optics. S.Hannon responded it will come with a twenty-five year warranty from the installing vendor. The life expectancy is thirty plus years. There is some possibility that it will need maintenance such as replacing parts. One option for this is to pay for repairs as we go but there is redundancy to allow connectivity during outages.

S.Aldrich explained the other borrowing authorization was also part of the Capital Plan. There was a placeholder of \$400,000 for school design services. The actual cost of the study came out to \$750,000, which Massachusetts School Building Authority (MSBA) will not reimburse.

The members discussed the possibility of receiving reimbursement from the MSBA once the building begins.

**MOTION:** Moved by Griesemer, seconded by Schoen, to recommend the Town Council to approve Order 20-68 as presented.

C. Schoen inquired about updating the Joint Capital Planning Committee report for the next fiscal year. S. Aldrich explained that will be adjusted in the debt projections.

**VOTE:** 5-0 to recommend to the Town Council to approve Order 20-68 as presented.

### **1. Agenda Item 1. Proposed Amherst Affordable Housing Priorities Policy**

Steinberg explained comments from the committee and the committee's previous discussion with J.Hornik were incorporated into the third Housing Policy Report Draft. Chris Brestrup also provided information that was incorporated into the document.

C.Schoen praised the new draft, and suggested edits to include moderate income residents. She also suggested that the Town track spending on affordable housing.

Steinberg stated the Community Resources Committee (CRC) will review the draft tomorrow.

John Hornik, Chair of the Amherst Municipal Affordable Housing Trust, spoke about the current draft, urged the committee to strengthen its commitment to affordable housing goals and requested the committee make an affirmative statement about affordable housing.

Members discussed if the Finance Committee is the place to propose a new policy and the process of proposing policies to the Town Council. Members discussed additional edits to capture suggestions for diverse mix of housing types and to make a more affirmative statement for affordable housing.

J. Hornik spoke to the economic impact of affordable housing developments such as Valley CDC.

Members discussed next steps in the process. The next conversation will be at the Town Council based on the Finance and CRC's draft reports.

**MOTION:** Moved by Schoen, seconded by Pam, to submit the report with edits to reflect today's discussion where appropriate.

**VOTE:** 5-0 to submit the report with edits to reflect today's discussion where appropriate.

### **2. Agenda item 2. Financial implications of proposed Percent for Arts Bylaw**

R. Hegner asked if the Station Road bridge cost is higher than \$1M, would it trigger the bylaw. Griesemer responded that it depends where the funds come from.

Members discussed projects not located within the town, and public accessibility to the art.

**MOTION:** Moved by Schoen, seconded by Griesemer, that the Finance committee make a positive recommendation to approve the revised bylaw to the Council.

**VOTE:** 5-0 in favor that the Finance committee make a positive recommendation to approve the revised bylaw to the Council.

**MOTION:** Moved Griesemer, seconded by Pam, to submit the report to the Council.

**VOTE:** 5-0 to submit the report to the Council and support the bylaw as revised.

#### **Continued Agenda item 4. Vote and recommend Council orders**

##### **C. Council Order 20-65 bond language**

S.Aldrich explained the Municipal Modification update, the Town now adds language to borrowing authorizations that essentially reduces the debt. This order will take care of the authorizations that were approved prior to the Municipal Modification change. Members discussed how this financial process works and suggested additional explanatory language be included in the report to the Council.

**MOTION:** Moved by Griesemer, seconded by Pam, to recommend Order 20-65 to the Council as presented.

**VOTE:** 5-0 to recommend Order 20-65 to the Council as presented.

##### **D. Order 20-66**

S. Aldrich explained this order follows the Town financial policy of moving certified free cash over 5% to the Stabilization Fund. This will move \$2.563 million to the Stabilization Fund in order to earn more interest and be more available.

**MOTION:** Moved by Griesemer, seconded by Schoen, in favor in consistent with memo from the Town Manager on January 27, 2020 that we recommend to the Town Council that they approve Order FY 20-66

**VOTE:** 5-0 in favor in consistent with memo from the Town Manager on January 27, 2020 that we recommend to the Town Council that they approve Order FY 20-66

##### **E. Council Order 20-67**

S. Adlrich explained this is a transfer of an accumulation of Medicare Part D reimbursement payment in to the Other Post Employee Benefits (OPEB) fund. This will leave us with \$7.4 million in OPEB.

Members discussed the target is to cover our full liability which is about \$52 million. The plan is to continue to put money into the fund on a regular basis from various funds.

**MOTION:** Moved by Schoen, seconded by Griesemer, to recommend to the Town Council to approve Order 20-67 as presented.

**VOTE:** 5-0 to recommend to the Town Council approve Order 20-67 as presented.

#### **6. Updates to FY21 Projections**

Steinberg spoke to the process of making projections. Members discussed how health insurance costs are factored in.

#### **7. February 1 Four Towns Meeting preliminary discussion**

A. Steinberg noted the Four Towns meeting this Saturday at 9:00 at the ARMS Library.

#### **8. Public Comment- None**

#### **9. Matters not anticipated by the Chair 48 hours before the meeting-None**

S. Aldrich stated there will be one more Council Order coming. The Town received the grant from the Conservation Department and we will need to appropriate a grant match.

**Adjourn:** A. Steinberg adjourned the meeting at 4:30 p.m.

Respectfully submitted,



Athena O'Keeffe

Clerk of the Council

#### **Record of Agenda Packet Materials and Documents Presented**

- 0. Finance Committee Meeting Agenda Jan 28 2020
- 1a. Finance Committee housing policy report draft3
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- 1b. Affordable Housing-Town Support
- 2.b email from Cathy Schoen to go with Percent for Art documents 1.22.20
- 2.b email from Cathy Schoen to go with Percent for Art documents 1.22.20
- 2c. Percent for Art Bylaw Revised 1-16-20\_final\_track-1
- 2d. Percent for Art Bylaw Revised 1-16-20\_clean changes accepted
- 2e. Finance Committee Percent for Art Report revised 1.23.10 CS
- 3. FY20 JCPC 10 Year Capital Plan FINAL
- 4a. CO 20-64 - Repurpose Capital funds for roads sidewalks and traffic signal improvements
- 4b. CO 20-65 - Use of Premiums to pay down debt on prior bond authorization
- 4c. CO 20-66 - Free Cash to Stab MEMO to FINCOM.doc
- 4d. CO 20-66 - Transfer Free Cash to Stabilization Fund
- 4f. CO 20-67 Free Cash to OPEB MEMO to FINCOM
- 4g. CO 20-67 - Transfer Free Cash to OPEB Fund 105
- 4h. CO 20-68 - Borrowing authorization - School Design and I-Net[8345]
- 6. FY2021 PROJECTION for FINCOM 1.28.20 budget update
- 9. FC Schedule for 2020-21 budget cycle