

Amherst Finance Committee

April 15, 2010, 7:00 P.M.

First Floor Meeting Room, Town Hall

Members Present: Marilyn Blaustein, Mary Lou Theilman, Kay Moran, Andy Steinberg, Bob Saul, Doug Slaughter at 7:18 p.m.

Others in attendance: Assistant Town Manager/Finance Director John Musante, Walter Wolnik, Town Manager Larry Shaffer at 7:25.

Agenda:

Steinberg called the meeting to order at 7:05 p.m.

1. News affecting budget

Budget passed and proposed by the House Ways and Means Committee reduces municipal and Chapter 70 education aid by 4% as compared to last year's level. The Chapter 70 money is funded differently than it was in the Governor's proposed budget with \$113,000 of the Chapter 70 money coming from Federal Stimulus funds. If this happens, the schools will have to apply for the \$113,000 as a grant, and the Town will set the tax rate to raise the balance of the school budget.

2. Article 11 Capital Program – Chapter 90

Moran made a motion that we recommend the \$538,000 expenditure of Chapter 90 funds for qualifying purposes. Slaughter seconded. No further discussion. Motion passed 6-0 with one member absent.

3. Article 12 Capital Program – Equipment

Slaughter moved we recommend Article 12; an expenditure of \$865,300 for the equipment budget less the Chapter 90 funds. Theilman seconded, and there was no further discussion and the motion passed 6-0 with one member absent.

4. Article 13 Capital Program – Buildings & Facilities

Theilman moved to recommend the \$722,500 expenditure for Buildings and Facilities. Moran seconded. There was no further discussion and the motion passed 6-0 with one member absent.

5. Article 14 Capital Program – Bond Authorization

Moran moved we recommend the \$180,000 bond authorization for improvements to the South Amherst School building. Slaughter seconded. There was no further discussion and the motion passed 6-0 with one member absent.

Steinberg noted that there has already been substantial discussion of these JCPC recommendations. Musante then walked the committee through the JCPC thinking on the

capital budget. He noted that there was a pre-override policy that the override would not affect the JCPC budget; a conscious decision not to use override funds for capital planning. JCPC capital support from the Town budget is down 1% to 6.25% in FY11. This year's budget includes a new pavement recycler, and the new ambulance consistent with the every other year replacement schedule. Cruisers are now on a 3,3,4 replacement schedule, and the ladder truck refurbishment in the budget will give the current ladder truck another 10 years. The budget also includes park replacement equipment. The Jones library expenditures include HVAC repairs and an elevator upgrade. In the elementary schools allocation, new security upgrades, bus replacements, kitchen equipment replacement and some technology upgrades. Also included are Mark's Meadow closing costs, plus repairs to the South Amherst School. Street tree budget is being increased to replace dead or dying trees. Road bonds are in the works, but the Town still needs to identify sources for repayment.

There were some questions from the committee about overestimation of project costs. Musante stated that unspent appropriations for capital items can be reallocated to other projects by vote of Town Meeting, usually for other projects in the same department. Shaffer added that preliminary estimates are backed up by the Marshall and Swift estimates. M and S is a cost consulting service. Moran also added that JCPC receives a detailed sheet that includes the basis for the estimate. Steinberg asked about the East Street building renovations. Musante stated that the plan is for the school to vacate the East Street building. Steinberg asked about the new fire station and whether it would have an impact on operating expense if the Town went to a three station solution. Shaffer stated that his recommended solution will be for two stations, closing the one downtown and building a new headquarters further south.

6. Article 9 FY 2011 Operating Budget – General Fund Indebtedness

Musante explained that this Article is the \$1,376,755 amount required to support long term debt as well as the short term interest costs. Most of this debt service is supported by tax support. Moran moved we recommend the appropriation of \$1,376,755 for debt service. Saul seconded. There was no further discussion and the motion passed 6-0 with one member absent.

7. Article 15. Acceptance of MGL 43D

Theilman moved to recommend the article. Moran seconded. Steinberg asked Shaffer to describe 43D. Shaffer said the article is designed to help the Town access money to help development and help to expedite the development permitting process. Musante added that even with the expedited process, the requirements for development are still the same, just speedier. Shaffer stated that Jonathan Tucker has reviewed the regulation. Moran asked what happens if this article passes and Article 16 does not. Shaffer stated that the site would be a 43D site but there would be no Town project on the site. Steinberg suggested that the warrant committee could weigh in on the order. Steinberg noted that the passage of 43D would send a message that we were development friendly. Steinberg called for a vote. There was no further discussion and the motion passed 6-0 with one member absent.

8. Article 16. Patterson Property – Option Agreement

Saul asked about the business plan. Shaffer talked about Town's need for an economic development director and indicated that the Town has reallocated resources to fill the economic development function. The Town has identified the 30 acre Patterson property for development of a Professional Park. Shaffer sees the Town as a necessary partner. It signals that the town will be cooperative in the process, and should encourage partnership with a developer. The land will be less expensive with no developer on board since the project is more speculative. The option will allow a \$40,000 payment increment in each of the next three years which gives the Town exit opportunities if things do not develop. Shaffer stated that if it is dead as a doornail then he will be the first one to kill it. If Town Meeting turns us down, he will not bring it up again. Steinberg asked if Shaffer has seen other Town's pursue this model. Shaffer does not want to invest in services and infrastructure without having a real deal. Shaffer Steinberg noted that the Finance Committee could recommend to not allocate the next \$40,000 in the next years. Moran suggested we take a position. Moran moved we recommend Article 16, Theilman seconded. Motion passed 6-0 with one absent. Steinberg noted that there was substantial discussion in the March 25th meeting, and urged viewers to see that presentation.

9. Article 23. Zoning Amendment – Master Plan Compliance

Slaughter indicated that this was a housekeeping item necessary to keep the Zoning regulations efficient. Theilman recommended we support the motion, Slaughter seconded. There was no further discussion and the motion passed 6-0 with one member absent.

10. Article 24. Zoning Amendment – Non-Profit Uses

Moran moved we take no position, Slaughter seconded. Theilman suggested this was a housekeeping issue also. Moran argued that this did not appear to make things more efficient or derive financial benefit. Steinberg suggested there was no economic consequence. There was no further discussion and the motion passed 6-0 with one member absent.

11. Article 25. Zoning Amendment – University Drive Rezoning

Theilman moved we recommend the motion. Moran seconded. Theilman pointed out that an adjacent property is zoned the same way. Moran added that the new designation increased the options for development of the property which would add value to the tax role. Slaughter pointed out that development would have to address the wetland issues in the permitting process and may, in the end, improve the water management. Steinberg worried that a the new zoning might allow a residence to come in and underutilize space, but Theilman pointed out the Master Planning process noted this parcel as a good location for a mixed use development. There was no further discussion and the motion passed 6-0 with one member absent.

12. Article 31.

Saul moved to recommend the article and Theilman seconded. Steinberg indicated that the road redesign has not been finalized. The purpose of the article is to allow the town to accept land from the property owner at no cost to the town. There was no further discussion and the motion passed 6-0 with one member absent.

13. Member reports

Blaustein volunteered for Articles 23, 24, 25, and 31. Theilman volunteered for Articles 2, 3, and 4.

14. Next meeting and agenda

Steinberg suggested we will not have a meeting on April 22, but agree to meet early on the night of the first Town Meeting. 6:45 on May 3rd. All members approved of the plan.

15. Minutes of March 4 and April 3

Moran made the motion to approve the minutes of March 4th as amended. Blaustein seconded. The motion passed 5-0 with one abstention and one member absent. Theilman made the motion to approve the minutes of April 3rd. Slaughter seconded. . The motion passed 5-0 with one abstention and one member absent. Slaughter made the motion to approve the minutes of March 25th as amended. Blaustein seconded. The motion passed 5-0 with one abstention and one member absent.

16. Miscellaneous Moran made the motion to adjourn, and the motion passed 6-0. The meeting adjourned at 9:55 pm.

Bob Saul, acting clerk