

AMHERST FINANCE COMMITTEE MINUTES

Meeting of January 24, 2008

CALL TO ORDER

Morton called the meeting to order at 7:04 p.m. in the First Floor Meeting Room of Town Hall.

FINANCE COMMITTEE MEMBERS IN ATTENDANCE

Marilyn Blaustein, Alice Carlozzi, Kay Moran (Vice-Chair), Brian Morton (Chair), Doug Slaughter and Andrew Steinberg.

STAFF AND OTHERS IN ATTENDANCE

Guilford Mooring (Superintendent of Public Works), Robert Pariseau (Water Resources Director), Claire McGinnis (Collector), Jane Ashby (Transportation Committee), and members of the public: Eva Schiffer, Walter Wolnik, Marilyn Rodzwell and Fred VanDerbeck.

AGENDA

1. Budget Review
 - a. Transportation Fund
 - b. Water Fund
 - c. Sewer Fund
 - d. Solid Waste Fund
 - e. Public Works
2. JCPC assignment
3. Member Reports
4. Minutes
5. Next Meeting Agenda
6. Miscellaneous

COMMITTEE ACTIONS

VOTED 6-0, 1 absent, to approve the minutes as amended of the December 6, 2007 meeting.

VOTED 6-0, 1 absent, to approves the minutes as amended of the January 17, 2008 meeting.

DISCUSSION

1.a. Transportation Fund. McGinnis gave an overview of the Fund's FY 09 proposed budget, including paving the Pray Street lot (\$98,754 paid in part with Chapter 90 funds) and a \$36,719 increase in operating cost. Mooring stated that long-term planning for maintenance of the parking garage will begin in cooperation with Facilities Director Ron Bohonowicz. Moran asked if the Transportation Fund could pay for security cameras.

Ashby said the latest cost figure for outreach buses is \$109,222, according to UMass Transit Director Al Byam. The PVTA assessment is an additional \$100,000.

1.b. Water Fund. Pariseau said the operating budget increases by 4.3%. The increase in energy cost is significant, since this department is a heavy user. The capital budget includes purchase of radio meter reading equipment that would cost \$750,000. The equipment would allow meters throughout town to be read in 1 1/2 days, making monthly billing possible. Monthly billing would increase the department's interest income and catch leaks more quickly. The effect of the new equipment on the operating budget would occur in FY 10. Morton asked if the change would be cost effective. Pariseau replied that a detailed study has not been completed yet. Updating a single meter takes about twenty minutes. Repair to the Atkins water treatment plant is necessary to fix an air leak in one of its three tanks. The facility was built in 1993, and some gaskets are beginning to fail. The plan is to bond the money for the meters and Atkins repair for twenty years. There are now two electricians paid from the Water and Sewer Funds. Other departments are billed for work done by the electricians. There will be a rate increase of an estimated 20 cents for FY 09.

1.c. Sewer Fund. Pariseau noted the 2.3% increase in the operating budget. A rate increase of ten cents, to a total of \$3.10 per 100 cubic feet, will leave the Amherst rate still in the lower half of communities statewide. Mooring explained that the half-time position to be eliminated is one that was never actually filled. Adequacy of the \$10,000 catch basin reimbursement is being studied this year.

1.d. Solid Waste Fund. Mooring said there is not much change in the operating budget. The cost of a proposed Comprehensive Site Assessment of the old landfill, long in the works and necessary to plan reuse of the site, would be paid from the fund balance. The amount is \$88,000. A cell tower agreement will be signed soon and should bring in about \$25,000 starting in FY 09. The town can quantify methane we destroy at the old landfill and sell credits on the Chicago carbon market. Income for the town should be about \$18,000 in FY 09. We are eligible to sell the credits because we are not required to destroy the methane. Mooring would like to have the \$88,000 for the CSA appropriated at the special town meeting proposed for February. Steinberg was concerned about delaying the project if the special town meeting does not take place. He suggested a special town meeting embedded in the annual town meeting at its beginning, making funds available sooner than the conclusion of annual town meeting. There is some urgency to get started so that sampling can be done in the summer and the assessment completed by fall. The Committee agreed to request the Chair to consult with the Town Manager and Select Board Chair about calling a special town meeting for this purpose.

1.e. Public Works. Mooring said there are "no interesting things" in the Public Works budget. Energy and employee expenses are up, operation of street and traffic lights will increase \$6,361 because of higher electricity cost, and equipment maintenance will increase \$8,200 because of higher fuel cost. Moran asked about capital funds required if the town were to plow all sidewalks. Mooring said there would have to be two additional machines at \$115,000 apiece plus \$16,000 to repair a machine the town already has.

There would also have to be another three people working to get the plowing done timely. He assumes the \$72,000 for sidewalk plowing mentioned in the Town Manager list of possible budget additions would be for staff time and fuel.

Steinberg mentioned the interest of several town meeting members in the cost of DPW services to other town departments. Mooring gave many examples of the assistance his department gives and receives from others throughout town government. Morton summed up the situation, saying DPW services are integrated throughout town. Mooring added that the activities change every year.

Blaustein asked if the town uses energy efficient lights. Mooring said all of the old ones have been replaced. There is \$6,000 in the capital plan to upgrade more fixtures to full cutoff ones. In answer to other questions, Mooring said that the state does not reimburse the town for work on the sections of South Pleasant and West Streets taken over by the town; space constraints make consolidating vehicle maintenance impossible now, but could be considered in the context of a new Public Works building; present garage facilities cannot accommodate a consolidated fleet of town vehicles; with luck, a new traffic light will be installed at BigY before school starts in 2009 using Chapter 90 funds and, where work is on private property, property-owner funds.

Mooring said the FY 09 Public Works budget is like the FY 08 budget: under-funded. For FY 08, the snow and ice budget is nearly used up; \$175,000 of the \$182,000 budget is already spent. At midyear, traffic light and diesel fuel are over budget, and 62% of the personnel budget is spent. Mooring expects the un-fixed pothole situation to be worse than last year. The Town Manager's list of budget restorations includes \$50,000 for Public Works, which Mooring says may not be enough to keep services going the way they should. There is \$18,000 in the budget for line painting. Some lines have been scraped off by plows and ground away by sand. The department does not have much in the way of parts inventory for repairing street and traffic lights, and there are delays in getting orders filled that are beyond the town's control.

Mr. Steinberg expressed thanks to Mr. Mooring and the DPW personnel for their efforts. The other Committee members joined in thanking them.

2. JCPC assignment. Slaughter has already taken on the assignment.

3. Member reports. Carlozzi reported that the Regional Schools expect a deficit of about \$500,000 to maintain the same activities in FY 09 that they have in the current year. The governor's proposed Chapter 70 increase is 0.9%.

Steinberg reported on the elementary schools budget situation. Based in part on the Governor's Chapter 70 allocation, the elementary schools face a deficit of \$1,254,616. Musante used a 3% increase in Chapter 70 aid in his projections; the Governor's is an increase of only 1.8%. The fact that the elementary deficit is much larger than the regional one may be partly explained by the size of current year budgets. Elementary schools were held to an increase of 1% over FY 07; the regional schools were not. Part

of the increase in elementary expenses is because of increased charter school tuitions, especially the new Chinese charter school. Both budgets are very much works in progress. Collective bargaining is going on, so salary levels have not been established.

Morton reported that BCG's request for a special town meeting in February failed to get Select Board support by a vote of 2-2. The request may be taken up again at the next Select Board meeting, when all five members are expected to be present.

Moran reported that JCPC looked at an initial draft of the next capital plan. Musante said he has asked the departments to start from scratch with their capital requests. JCPC has not yet discussed the percent of the levy that should be used for capital expenditures in FY 09.

Moran reported that the Jones Trustees have given initial approval to the director's budget, but they still have two budget hearings ahead of them.

4. Minutes. The Committee amended and approved the minutes of the December 6, 2007, and January 17, 2008, meetings.

5. Next meeting agenda. The next two meetings are on Saturday (4-town regional school meeting) and Monday (with the Select Board for school presentations). There is not enough information available now to decide whether or not the Committee should meet on January 31.

6. Miscellaneous. Steinberg inquired if the water park proposed for the Community Field area is included in the town's capital plan. Slaughter said there is a place holder for it in one of the out years. The topic is wide open.

ADJOURNMENT

The meeting adjourned at 9:09 p.m.

Submitted by Alice Carlozzi, Acting Clerk