

**AMHERST FINANCE COMMITTEE MINUTES**

Meeting of October 25, 2012  
First Floor Meeting Room  
Town Hall

FINANCE COMMITTEE MEMBERS IN ATTENDANCE: Kay Moran (vice chair), Doug Slaughter, Janice Ratner, Anurag Sharma (7:12), Andy Steinberg (chair), Marylou Theilman, and Bob Saul

OTHERS IN ATTENDANCE: Sandy Pooler, Finance Director; Guilford Mooring, Director of the Department of Public Works, and David Ziomek, Director of Conservation

Mr. Steinberg called the meeting to order 7:09 p.m

Article 9: Bylaw from Refuse Recycling Management Committee proposes a ban of expanded polystyrene food and beverage containers (paper is good), which are both voluminous and toxic. Amherst would be the third community in Massachusetts to institute this ban. The Chamber of Commerce and Board of Health support the ban. Several restaurants still oppose the ban but the majority support it. The ban would require some staff time to perform inspections and provide education. Ms. Moran made a motion to take no position. Ms. Theilman seconded. The motion passed 6-0 with one member absent.

Article 5; Borrowing authorization for \$1 million for local street paving. The Joint Capital Planning Committee (JCPC) recommends this borrowing. The DPW has a resurfacing priority list of streets. Mr. Mooring explained that these resurfacings would last a long time since these neighborhood roads are only used locally. Since moving equipment around is expensive, the DPW often paves an entire neighborhood. The Committee had a brief discussion about the priorities, but Ms. Moran reminded us that this was not a discussion about street priorities. The DPW uses an Overall Condition Index (OCI) to prioritize. Cost per each sq yard for each repaving is the same for each road since the process of repaving is the same for each local street. Mr. Pooler stated that the town has maximized its debt capacity as it pushes the limits of the JCPC Capital Expenditure budget. Debt service impacts JCPC percentage and as a % of the tax levy.

Mr. Mooring said that asphalt costs are volatile, but actual labor and equipment costs remain the same so postponing repairs does not necessarily make them more expensive. Ms. Theilman asked about asphalt re-heater and Mr. Mooring said it's working well on a cost saving basis, and it allows the Town to repair potholes during the winter because the Town can make its own asphalt. The DPW tries to keep the OCI index constant at 69-70%; however, if things don't change, i.e. more resources allocated to paving, the Town will need more money in the future to keep the index constant. Mr. Slaughter moved to recommend article 5 and Ms. Ratner seconded. The committee voted 7-0 to recommend Article 5. Ms. Moran pointed out we have increased operation expenses as capital assets deteriorate. Mr. Sharma noted we should spend more on capital items where the Town can borrow money.

Article 7: Mr. Ziomek suggested postponement of the discussion of Article 7 until November 8<sup>th</sup>. Mr. Ziomek is confident it can be reviewed quickly. The article pertains to 42 units of affordable housing at the end of Olympia Drive. Drainage infrastructure is complete and the next step will

be to fund the road improvements. Town Meeting needs to accept Olympia Drive as a public way. Mr. Steinberg pointed out that the FINCOM usually recommends accepting public ways recommended by Public Works.

Article 8, part a, acquisition of the Ricci Project. This would preserve 22 acres of land abutting the Mount Holyoke Range. If the Town does not receive a State grant, the project will not proceed. 70% (\$353,500) of the acquisition funds would come from the state grant and 30% (\$151,500) from Community Preservation Act (CPA) funds. Mr. Sharma pointed out that this land could be developed, potentially bringing in as much as \$60,000 annually in property tax revenue. Ms. Moran moved to recommend the article stating it was an appropriate use of CPA funds. The motion was seconded by Ms. Theilman. The Article will be withdrawn if the state grant is not received. The motion passed 6-0 with one abstention (Sharma).

Article 8 part b. Land, off Potwine Land proposed for acquisition. The parcel fits nicely into larger conservation block. \$81,500 will be allocated from CPA funds with another \$81,500 from a State grant. These are reimbursement grants. Town Meeting must authorize borrowing to fund the acquisition then the Town will get funds back from the State. CPA funds are considered to be a local match. This lot can support only one house lot, and it is important to preserve pieces near the Plum Brook watershed. Mr. Sharma insisted there be some acknowledgment that these acquisitions have financial implications for the tax base, though in this case it wouldn't be great. Mary Lou motioned to recommend the Article as an appropriate use of CPAC funds. The motion passed 7-0.

Article 8 part C North Common Project. This part of the Common is deteriorating rapidly. Erosion, heavily used, etc, and the Town has applied to the state for a \$500k PARC grant. The Historical Commission and LSSE endorse the grant and it falls under the open space recreation CPA category. Amherst's CPA fund will provide 70% of the funds and the State 30%. Once again, if the Town does not get the state grant, the work will not be done. A PARC grant requires the Town to protect the North Common for open space and recreation in perpetuity, and The Historical Commission and LSSE will administer the area. Mr. Sharma asked if the Common problem would be addressed if the grant is not received noting we have a deferred maintenance problem right in the center of Town. Mr. Slaughter moved to recommend the article as an appropriate use of CPA funds. Theilman seconded. The motion passed 7-0.

Article 6 would authorize the Town Manager to enter into a Purchase Power Agreement with WMECO and a production contract with the solar developer. The Town Manager needs the flexibility to enter into these contracts. The Town may shrink the project on the Town dump, down a megawatt or so. Mr. Sharma moved we recommend Article 6, and Mr. Slaughter seconded and the motion passed 7-0.

Writing assignments for Town Meeting are as follows:

OPEB: Bob  
Stabilization: Kay  
Road Stabilization: Doug  
Solar: Anurag  
Article 8 a, b, and c: Bob

Discussion of Financial Projections for FY 14 and Preliminary Budget Guidelines. Mr. Pooler has heard general concern from all parties about budget uncertainty as department heads start the budgeting process. His initial revenue estimates for FY 14 indicate that an overall 3% increase in Town budgets would be possible. He's asked departments to

develop a budget with a 3% increase; and an increase to 7% of the levy used for the capital budget, with OPEB as a separate line item not yet funded. Mr.Slaughter noted that the JCPC wants to raise the percentage of the levy used for capital after years at levels much lower than the recommended 10%.

The meeting adjourned at 9:42 p.m.

Bob Saul, acting clerk

#### DOCUMENTS USED AT THE MEETING

Draft Warrant for the Nov. 19, 2012, Special Town Meeting