

**SELECTBOARD MEETING
TUESDAY, MAY 1, 2018
SELECTBOARD MEETING ROOM – 7:00 P.M.
AGENDA**

Note: Not all the topics listed in this notice may actually be reached for discussion. In addition, the topics listed are those which the chair reasonably expects will be discussed as of the date of this notice. These meetings may be audio and/or visually recorded

1. CALL TO ORDER
2. APPROVAL OF MINUTES
 - a. *Draft minutes of the April 3, 2018 meeting*
 - b. *Draft minutes of the April 17, 2018 meeting*
 - c. *Draft minutes of the April 19, 2018 meeting*
3. ANNOUNCEMENTS/OPEN FORUM
4. CONSENT AGENDA
5. NEW BUSINESS
 - A. Ledges RFP
 - B. TA Evaluation
 - C. Five College Support Letter
6. RESIGNATIONS/APPOINTMENTS
 - A. Hazel Snopek Board of Assessors
7. OTHER BUSINESS
 - A. Town Meeting Preview and Discussion
 - B. Selectboard Policies Update
 - C. Annual Appointments
 - D. Selectboard Liaison Assignments
8. TOWN ADMINISTRATORS REPORT
9. CHAIRMAN'S REPORT
10. ADJOURN

**SELECTBOARD MEETING
APRIL 3, 2018
MINUTES
SELECTBOARD MEETING ROOM – 7 P.M.**

Present were Chair Sarah Etelman, Vice Chair John Hine, Clerk Andrea Miles, member Ira J. Brezinsky, member Bruce C. Forcier, and Town Administrator Michael J. Sullivan.

1. CALL TO ORDER

Etelman called the meeting to order at 7 p.m. noting all members were present

2. APPROVAL OF MINUTES

Brezinsky motioned to approve the meeting minutes of March 3, 2018. Miles seconded. All in favor.

3. ANNOUNCEMENTS/OPEN FORUM

Brezinsky noted FestForward is happening this week, CraftFest is happening in three weeks and the River Roll & Stroll is happening May 6.

4. CONSENT AGENDA

Forcier motioned to approve a One Day Beer and Wine License for Mark Garner of MHC Dining Services for April 22 Spring Weekend. Brezinsky seconded. All in favor.

5. RESIGNATIONS/APPOINTMENTS

Forcier motioned to accept the resignation of Scott Sargent from the Historical Commission. Miles seconded. All in favor.

6. NEW BUSINESS

a. MOA for Veterans Service District

Forcier, representative to the Veterans District Board, said a Memorandum of Agreement could not be tracked down between the three communities in the Easthampton/Granby/South Hadley Veterans Service District. To remedy this, Sullivan created a draft MOA detailing what's expected of each member community and the veteran service agent. It was presented to the Veterans Service District Board, said Forcier. Other member communities have agreed it is appropriate and recommended the South Hadley Selectboard chair sign off on the MOA, he said. Forcier also noted Granby will withdraw from the district at the beginning of the fiscal year, and that the Veterans Service District Board made an offer to Paul Seifert for the veterans service agent position and he accepted.

Etelman asked if Granby's removal will change the total hours and pay rate of the veterans agent. Forcier said no. The agent now works four hours in Granby. When Granby removes itself from the district, the hours will be absorbed equally between South Hadley and Easthampton. He said he doesn't think it will affect the budget, which is in good shape as far as personnel services go. The board had been anticipating for some time Granby's withdrawal.

Brezinsky asked if the town will continue to supplement with free cash the budget amount for the veteran service agent because of the workload. Sullivan said no, that seems to have leveled off after reaching a high of 44 families/individuals being serviced. It's fallen to 39 right now. The budget seems to be very stable this year, he said, and reminded members 75 percent of this budget is reimbursed from the state in the subsequent year.

Sullivan said it's important to note TOSH provides the health insurance for the veterans agent. TOSH is reimbursed for the portion for Granby to the end of the year and for the portion for Easthampton for next year to the end of this year. Retirements are separate and the district pays the retirement costs.. It does have a very small effect on TOSH OPEB. Sullivan said the town is making sure South Hadley is paying its fair share, and he thinks it's a great step forward to have a MOA. There hasn't been a MOA since 1992.

Brezinsky made a motion to approve the Memorandum of Agreement. Forcier seconded. All in favor.

7:15 Public hearing re: Verizon telephone pole placement on Pleasant Street

Paul Resiling, representing Verizon, said Verizon is petitioning to place one jointly owned telephone pole numbered T.7S/E.6S on the northwesterly side of Pleasant Street at a point approximately 71 feet southwesterly from the centerline of Lamb Street to provide support to the existing pole line and to provide for the distribution of intelligence and telecommunications for the transmission of high and low voltage electric current.

Currently there is a support wire from the pole across the street connected to a tree. Verizon is placing a new pole next to the tree so a support wire can lead to a pole rather than tree, which is being removed. The pole is only supporting the existing pole; there won't be wires going across the street.

Jeff Cyr of 8 Crystal Lane asked if there were sidewalks on both sides of the street, and if there is sufficient space between the pole and a shrub row, wondering if this pole would impact handicap accessibility. Resiling said the pole will be located where the sidewalk currently exists but there will be sufficient space for getting around the pole.

Etelman closed the public hearing at 7:18 p.m. Brezinsky moved to approve the request for placement of a pole on Pleasant Street. Miles seconded. All in favor.

7:20 Public hearing re: Verizon telephone pole placement on Canal Street

Verizon is petitioning to relocate one jointly owned pole numbered T.8/E.2 to a point on the northeasterly side of Canal Street approximately 75 feet northwesterly from the centerline of West Main Street, and relocate one jointly owned pole numbered T.9/E.3 to a point on the northeasterly side of Canal Street approximately 181 feet northwesterly from the centerline of West Main Street.

The relocation is to provide for the distribution of intelligence and telecommunications, and for the transmission of high and low voltage electric current. The owner of the land would like to install a driveway or something of that nature.

The cost of moving the poles is taken on by Verizon. There will be no downtime in terms of power and phone service, except for a power outage that will take place to transfer the library service over to the new cables. The cost to move these poles will be born by the condo developer requesting the relocation.

Etelman closed the hearing at 7:23 p.m. Forcier motioned to approve the request for the pole placement. Brezinsky seconded. All in favor.

b. Revocation of Used Car License

Sullivan said a car lot located at 500 New Ludlow Road was issued a used car license, paid the \$100 fee, and demonstrated to the town as of Jan. 1 of this year it had the required \$25,000 bond. Sullivan said TOSH is not required to see if the car lot has a lease. However, a car lot is required to have an address, per state law. Subsequently, the property was going to be rented out to another used car dealer. State law prohibits more than one license at a single address. Sullivan said town council reviewed these rules. TOSH asked to be informed via a letter by the property owners or their agent that Riverside Motors does not have a lease or tenancy and is basically evicted. Therefore, their license has to be revoked. A subsequent application has to be considered. The other party looking to rent the space still has to go through an application process and apply after the revocation is presented to the state.

Brezinsky moved to revoke the present license of Riverside Motors at 500 New Ludlow Road operated by Steve Moran. Forcier seconded. All in favor.

7. OTHER BUSINESS

a. Senior Center Funding Strategy discussion

Sullivan said David M. Eisenthal, vice president of UniBank Fiscal Advisory Services, will discuss bonding for the new senior center at the next meeting. Sullivan said he hopes the Selectboard will listen to Eisenthal next week and then decide what the Selectboard would like to have Sullivan put into an article for May Town Meeting announcing how TOSH will proceed with the center. One option is to borrow \$9.8 million. Another is to take funding from stabilization to complete the \$320,000 design, according to Tim Eagles. Sullivan feels borrowing \$9.8 is most comfortable and appropriate after his own conversations with Eisenthal. If the board was to hire the Owners Project Manager, which is required by the state for this project, TOSH would probably have to pay about \$150,000. It will be just south of \$500,000 to get this project up and running. The building construction is \$8.5 million and

the soft costs will be 35 percent of that for a total of \$11.2 million. He doesn't think TOSH will borrow the full amount until early FY21.

Sullivan suggested the Selectboard could put two articles forward – one for borrowing \$9.8 million and one for borrowing for just the design - with the intent one will not go forward on the floor with a motion.

Miles asked about the odds of the \$8.5 million figure for building design (based on a conceptual design plan) rising, considering the Selectboard has land, parking and community access issues that could potentially alter the cost. Sullivan said if TOSH moves significantly away from the conceptual design, plan, and estimate given, he would suspect the costs would increase appropriately if not proportionately. "That's one of the reasons why we looked at that site," said Sullivan. "Obviously it's tight but it's centrally located, it can meet the needs, it has access to some outdoor space and the field. We talked about using the building more effectively in nontraditional hours, having the parking lot serve not only that building but the adjacent recreational facility, the utilities are there," he said.

If TOSH went to a bigger or other space, there would be other issues needed to be considered and Sullivan guesses they would increase the price. Regardless there's going to have to be some fundraising, he said, and some money coming from grants or other things. TOSH has put away \$200,000 in the senior center stabilization fund this year, and will do the same next year in the hope of setting aside \$1 million for the project.

Brezinsky suggested formation of a senior center building committee, using the Plains School committee as an example. Sullivan said there is not a building committee requirement for a senior center. Only the MSBA regulations require a building committee be approved by town meeting. Brezinsky personally suggested that is a model TOSH ought to use, with representation of various constituencies throughout town from the COA, general community, and to Capital Planning, Selectboard and Appropriations members. He said Town Meeting should approve not just the funds but the process of having a building committee.

Hine said TOSH is working to build a new senior center within its operating budget, which suggests there has to be a ceiling. He highlighted the advantage of borrowing the full amount of \$9.8 million at one time and having flexibility, rather than borrowing just for the design and later having to go back to Town Meeting to borrow more funds to complete the project.

Sullivan agreed and said it sends a clear message to contractors that the town is saying this is what TOSH can afford.

Brezinsky said he agreed TOSH needs to be very clear about how much funds will be used and for what, however, "it doesn't mean that's the total amount of money that's going to be spent on this project." He noted the \$10 million South Hadley Public Library project included plus or minus \$2 million in fundraising.

Hine said the biggest difference between the senior center project and library/school projects is the lack of a state program for reimbursement. With the later projects, TOSH knew it was

getting 60 percent of approved costs reimbursed. With that came with a loss of control – Plains could be built only for kindergarten and first grade and classrooms had to be specific sizes; the library had to be its current size in order to qualify for funding. He feels TOSH should go into this project with a ceiling and make the project work based on what TOSH can afford.

Miles asked if the ceiling should be the maximum TOSH can afford or a smaller figure and fundraise the rest. Sullivan said Eisenthal, as the town’s bond advisor, would be able to relay what it would cost to borrow a partial amount, however, he won’t advise TOSH on what it can afford – that is for TOSH to decide.

Brezinsky said preparing two warrant articles would certainly be a good approach right now. The Selectboard agreed to continue the discussion in two weeks after listening to Eisenthal.

b. Opioid Contract

Forcier asked if Town Counsel reviewed the contract. Sullivan said Town Counsel did and had no concerns. It’s a fairly standard Mass Tort agreement and doesn’t bind the town to anything onerous.

Brezinsky motioned the Selectboard approve the agreement and authorized the town administrator to sign it. Miles seconded. All in favor.

8. TOWN ADMINISTRATOR’S REPORT

Hampshire Health Insurance

Hine asked for the monetary translation of the 4.7 percent increase in Hampshire Health Insurance Premium costs. Sullivan said it comes out to about \$240,000.

SHELD/Siemens

Brezinsky highlighted the much-improved relationship between SHELD and TOSH, and said it looks like things are going well. Brezinsky suggested a meeting with SHELD to discuss the positives and current initiatives. Sullivan echoed his sentiments and agreed a meeting would be a good idea.

See Town Administrator’s report in the March 20, 2018 packet for information not discussed.

9. ADJOURN

Forcier motioned to adjourn. Miles seconded. All in favor. The meeting adjourned at 8:19 p.m.

**SELECTBOARD MEETING
APRIL 19, 2018
MINUTES
SELECTBOARD MEETING ROOM – 6:30 P.M.**

Present were Chair Sarah Etelman, Clerk Andrea Miles, member Ira J. Brezinsky, member Bruce C. Forcier member Jeff Cyr, and Town Administrator Michael J. Sullivan.

Etelman called the meeting to order at 6:30 p.m. noting all members were present

1. REORGANIZATION

Etelman opened the floor for nominations for Selectboard chair.

Forcier nominated Brezinsky as chair. Miles seconded. All in favor.

Cyr nominated Miles as Vice Chair. Brezinsky seconded. All in favor.

Etelman nominated Cyr as Clerk. Miles seconded. All in favor.

Brezinsky thanked Etelman for her year-long service as chair and said her efforts were much appreciated. Forcier echoed his comments and noted the significant items Etelman implemented as chair – Selectboard Coffee in the Community and Symposiums of Understanding.

Brezinsky welcomed the newest board member, Cyr, who thanked the board for holding the Thursday meeting and the ability for Cyr to speak on the topics presented.

2. APPROVAL OF WARRANT ARTICLES

Forcier motioned to accept the Special Town Meeting warrant as presented. Miles seconded. The motion passed unanimously.

Forcier motioned to accept the warrant articles for the Annual Town Meeting. Miles seconded. The motion passed unanimously.

The Selectboard deliberated on whether to take a position on Town Meeting warrant articles 14 or 15. Article 14 asks to see if the town will vote to authorize the Selectboard to borrow \$9.8 million for the purpose of designing or constructing a new senior center. Article 15 asks to see if the town will vote to raise and appropriate or transfer \$400,000 from the Stabilization Fund or other available funds to complete a full design for a senior center, as well as bid documents and other related pre-construction costs.

Etelman said the Selectboard has talked about the two articles plenty of times at this point. She said she feels fine making a decision tonight if the rest of the board is as well, and she doesn't know what waiting until the next meeting would do for the board.

Cyr said he would like to discuss the \$400,000 in Article 15. He said he is concerned about potential hazardous materials that could hypothetically be found during the demolition process, based on the building's age. He asked if the board is confident the \$400,000 figure could

accommodate the potential discovery of hazardous materials and destructive testing to “get a full idea of what we’re looking at” or would more funds be needed.

Sullivan said the \$400,000 is earmarked for bid documents and design. He said an industrial hygienist could provide a good read on what potential hazardous materials a demolition crew might encounter, however, there are issues that can be discovered only until demolition. For example, the vermiculite discovered during the Plains School project wasn’t revealed until demolition began. Similarly, a tank at 1 Canal Street was discovered that had supposedly been taken out years before, as well as an asbestos pipe. “There’s always something lurking,” said Sullivan.

Cyr said with borrowing capped out at approximately \$9.8 million (in Article 14), “the last thing I would want to see is something substantial kick up to impact that number.”

Sullivan said he appreciated what Cyr was saying. The approach with the \$9.8 million is the ability to have cash on hand and the flexibility to address problems that may arise. Sullivan reiterated the process the town has begun to grow the senior center stabilization fund by taking part of existing revenues and putting it into the senior center stabilization account. By the time TOSH is looking to build a new center, it should have \$800,000 set aside “so if something came up, you could use that money going forward,” he said. Plus, interest rates are appealing right now.

Cyr highlighted the discovery of a stream near the current senior center and the potential problem it might pose for the project and parking.

Sullivan said the site of the current senior center does have space challenges. Tim Eagles of EDM Architecture – hired specifically to look at the scale of the necessary requirements for a potential future senior center – has viewed the stream and said there are ways to work around it, Sullivan said. Most of the stream is underground. “That’s all going to come out in the process,” said Sullivan.

Cyr said he is concerned about the issues highlighted and their potential financial impact. Sullivan said the senior center design alone will cost \$320,000, and there isn’t a lot of wiggle room. He said the Selectboard could look at other reserves to put toward potential stream and parking issues. If the Selectboard chooses Article 14, and the \$9.8 million is approved by Town Meeting, “you’re not going to use it all at once,” said Sullivan.

Etelman said the difference between the \$9.8 million and \$400,000 in articles 14 and 15 is “this is the maximum we’re willing to borrow no matter what. The purpose is not to spend more than we know that we can keep within existing revenue.”

Brezinsky said it’s clear the Selectboard is committed to keeping to the \$9.8 million in total borrowing. “Anything over and above would have to come from municipal or other sources.” He brought up the formation of a senior center building committee. Miles said that would warrant a separate discussion other than the current discussion of taking a position on articles 14 and 15.

Sullivan said in a construction project like this, it is up to the Selectboard as owner of any municipal project to appoint a building committee.

Etelman moved the Selectboard endorse Article 14 to borrow up to \$9.8 million for design and construction. Forcier seconded. A vote was called for. Brezinsky recorded it as failed, with two in favor and three against.

Cyr motioned the Selectboard endorse Article 15 to see if the town will vote to raise and appropriate or transfer \$400,000 from the Stabilization Fund or other available funds to complete a full design for a senior center, as well as bid documents and other related pre-construction costs. Miles seconded. A vote was called for. Brezinsky recorded it as unanimous.

3. ASSIGNMENT OF WARRANT ARTICLES

The Selectboard will present all warrant articles to Town Meeting following the repeating format of “Brezinsky, Miles, Cyr, Etelman, Forcier.” Etelman will present articles 11 and 12.

4. OTHER BUSINESS

Sullivan asked the Selectboard if former Selectboard member John Hine will continue to be a representative on the Cable Television Committee, noting there is no precedent for this situation. Brezinsky said he would be “very happy” to have him on the committee, and added he is “very knowledgeable.”

5. ADJOURN

Forcier motioned to adjourn. Miles seconded. The motion passed unanimously, and the meeting ended at 7:01 p.m.

APR 20 2018

Town Clerk

April 20, 2018

Mrs. Carleen C. Hamlin
Town Clerk
Town Hall
116 Main St.
S. Hadley, Ma. 01075

Dear Carleen;

This letter is to serve notice
to my resignation from the Board of
Assessors of South Hadley effective
immediately.

Sincerely,

Hazel C. Inopet

Agreement to Support the Provision of Transit Services through the Pioneer Valley Transit Authority

on Five College Bus Routes

between

The Pioneer Valley Transit Authority

and

Five Colleges, Incorporated

Spring 2018 – June 30, 2022

Whereas under the auspices of the Pioneer Valley Transit Authority (“The Authority”) for over three decades certain bus routes have been established (currently Routes 38, 39, and 39E) or expanded in schedule (currently Route 43 and 43 Express) to provide connections among the campuses of Five Colleges, Incorporated (“FCI” or “Five College Consortium”) for students and employees during the academic year (termed “Five College Buses”) as well as transportation for members of the public; and

Whereas by mutual agreement of PVTA, the towns and the Five College Consortium those Five College Bus routes were initially fare-free to all riders, both campus riders and community riders on the condition that the Five College Consortium reimburse the towns for the PVTA Assessments to the towns for those routes (more recently PVTA has charged fare for community members on the B43, but not on the 39 and 38); and

Whereas the continuation of such basic Transit Service and its resultant social, economic, environmental, employee and academic benefits are in the best interest of both the towns of the region, the Authority and the Five College Consortium and its associated institutions (Amherst, Hampshire, Mount Holyoke and Smith colleges and the University of Massachusetts Amherst);

Now therefore it is agreed that

- I. The Authority shall:
 - a. Maintain contracts with bus service providers to service these routes on a schedule satisfactory to the towns and the Five College Consortium;
 - b. Take appropriate action to procure any Commonwealth of Massachusetts (“State”) and/or Federal subsidies and/or grants which could defray the operating and/or capital costs required to support the Transit Service provided in this agreement;
 - c. Advocate for efficient and expeditious inter-campus service on the Five College Bus routes with limited delays relative to express service between the campuses for stops enroute or diversions to other locations, negotiating with the Five College Consortium and the towns for mutually agreed upon intermediate stops and route diversions;

- d. Advocate for the continuation of the Five College bus routes in their present configuration (or with changes mutually agreed upon by Five College Consortium and the towns) if there is reasonable ridership;
 - e. Provide the Five College Bus route services without fares to students and employees of Five Colleges, Incorporated and its associated institutions;
 - f. Make every effort to provide at least six (6) months notice to the Five College Consortium and its associated institutions in advance of planned major disruptions or discontinuation of service on the Five College Bus routes and endeavor to assure that there are no planned major disruptions or discontinuations of service during an academic year; and
 - g. Fully consult with the Five College Consortium and representatives of its associated institutions during discussions of planned disruptions or discontinuations of service on Five College Bus routes; and
- II. The Five College Consortium shall:
- a. Reimburse each Town each year for an estimate of the town's assessment from The Authority for that year for Five College Bus routes without any phantom fares (assessments ultimately to be billed to the Town by the State based on documentation provided by The Authority) based on the documentation from The Authority of the town's assessment for Five College Bus routes for the previous year's service and an invoice from the Town;
 - b. Provide an additional payment to The Authority each year so that the total of payments under the previous section (II.a.) and this section reaches the following annual totals if the annual number is greater than the total of the Towns' assessments for these routes
 - i. FY19 \$600,000,
 - ii. FY20 \$650,000,
 - iii. FY21 \$700,000, and
 - iv. FY22 \$750,000,with the supplemental amount each year to be paid in two installments (each for half of the annual supplemental amount) based on PVTA invoices submitted to Five Colleges in October and February of each fiscal year (the purpose of setting this goal is to move the Five College total payments closer to the difference between the allocated total cost of the Five College routes and the allocations of state and federal subsidies);
 - c. Have no obligation to reimburse each Town for its assessments from The Authority for service on these routes at times outside of the academic year; and
 - d. Have the right to withdraw from this agreement with one-year's notice if service reductions among the campuses or extended travel times between campuses causes an unacceptable degradation of inter-campus service as determined by Five College Consortium.

- III. In light of the commitments made under section II., the Five College Consortium shall not:
 - a. Provide payments of fares (or payments in lieu of fares, or “phantom fares”) for its student or employee riders of Five College Bus routes; or
 - b. Provide payments of fares (or payments in lieu of fares or phantom fares) for members of the community who are riders of Five College Bus routes.
 - c. Assume or accept any liability with regard to PVTA’s business operations.

- IV. The parties agree to enter promptly into discussions about future routes and funding alternatives should there be a significant drop in the State and Federal subsidies and grants.

- V. This agreement will become effective on July 1, 2018 and will remain in effect through June 30, 2022.

- VI. In recognition of completing this agreement Five College Consortium will pay The Authority in Spring 2018 (upon suitable invoice) the amount of \$50,000.

- VII. This agreement will take effect upon the later date of signatures by the appropriate representatives of the two parties.

Signatures confirming this agreement.

For The Authority:

For the Five College Consortium:

Sandra Sheehan
Administrator
ssheehan@pvta.com

Sarah Pfatteicher
Executive Director
spfatteicher@fivecolleges.edu

Date

Date

Agreement to Support the Provision of Transit Services through the Pioneer Valley Transit Authority
on Five College Bus Routes in the Town of South Hadley for 2018-2022

between

The Town of South Hadley, Hampshire County, Massachusetts

and

Five Colleges, Incorporated

Whereas under the auspices of the Pioneer Valley Transit Authority (“The Authority”) for over three decades certain bus routes have been established (currently Routes 38, 39, and 39E) or expanded in schedule (currently Route 43 and 43 Express) to provide connections among the campuses of Five Colleges, Incorporated (“FCI” or “Five College Consortium”) for students and employees during the academic year (termed “Five College Buses”) as well as transportation for members of the public; and

Whereas by mutual agreement of PVTA, the towns and the Five College Consortium those Five College Bus routes were initially fare-free to all riders, both campus riders and community riders on the condition that the Five College Consortium reimburse the towns for the PVTA Assessments to the towns for those routes (more recently PVTA has charged fare for community members on the B43, but not on the 39 and 38); and

Whereas the continuation of such basic Transit Service and its resultant social, economic, environmental, employee and academic benefits are in the best interest of both the towns of the region, the Pioneer Valley Transit Authority and the Five College Consortium and its associated institutions (Amherst, Hampshire, Mount Holyoke and Smith colleges and the University of Massachusetts Amherst);

Now therefore it is agreed that

- I. The Town of South Hadley shall:
 - a. Sponsor such Transit Service within the Authority by requesting that The Authority maintain contracts with bus service providers to service these routes on a schedule satisfactory to the Five College Consortium;
 - b. Take appropriate action as a member of The Authority to procure any Commonwealth of Massachusetts (“State”) and/or Federal subsidies and/or grants which could defray the operating and/or capital costs required to support the Transit Service provided in this agreement;
 - c. Advocate for efficient and expeditious service on the Five College Bus routes with limited delays relative to express service between the campus for stops or diversions at other locations, negotiating with the Five College Consortium and The Authority for mutually agreed upon intermediate stops and route diversions;
 - d. Support the charging of normal fares for community members from its Town or provide payment for an equivalent amount to The Authority for those community members

TO: Sandra Sheehan, Administrator
Pioneer Valley Transit Authority

FROM: Neal B. Abraham
Executive Director

DATE: January 16, 2018 revised January 17, 2018

SUBJECT: Proposal for adjusted arrangements and payments for PVTA Five College Buses

Five Colleges, Incorporated recognizes that, as for other routes in the PVTA system, the gap between revenues and expenses for the Five College bus routes is currently being closed substantially by applying Federal funds which ought to be used for capital needs and without that portion of the federal funds the operations are in significant deficit (see table 1). Even with this use of Federal funds that ought to go for capital expenses, deficits remain. At the same time, because of the recent expansion in the route system for PVTA, the normal method of calculating community assessment obligations has reduced the PVTA-stipulated Five College contributions to the towns for the Five College bus routes (see table 2) even while the routes remained essentially the same and the costs for operating those routes steadily increased.

At the beginning of the partnership for the Five College bus routes in 1979 involving Five Colleges, PVTA, and the communities through which the Five College buses transit, the principles were that (1) Five College bus routes would provide efficient inter-campus transportation open to students and campus employees as well as community members; (2) Five Colleges would pay the marginal additional cost of operating the Five College bus routes after application of credits from state and federal sources and (3) the riders, whether from the Five Colleges or the communities, could ride without paying fares. These arrangements allowed for new routes (38, 39 and M40) which PVTA would not otherwise offer and more frequent trips on the B43. In practice, this has meant that Five Colleges has paid to the towns' amounts that reimbursed them for their PVTA assessments for the Five College bus routes and a small additional fee. Over time, PVTA began to charge fares of non-Five-College riders on the B43 and M40 routes to help defray the costs, but the Five College riders have not paid fares nor have community members paid fares on the 39 or 38. The benefits for the towns have been the fare-free arrangements for community members on the 38 and 39 and the more frequent service on the B43.

Five Colleges would like to take significant steps to reduce the use of Federal funds intended for capital expenses for the Five College routes by increasing the total amount that Five Colleges pays for the Five College bus services from PVTA through adding a direct payment to PVTA in addition to the Five College payments to the towns to cover the towns' PVTA assessments for the Five College bus routes.

I am proposing to PVTA and to the financial decision makers at Five Colleges, Incorporated the following framework for the future.

**Framework for the future arrangements between PVTA, the towns, and Five Colleges,
Incorporated for the Five College buses
January 2018**

That Five Colleges sign with PVTA and the associated communities/towns a four-year agreement for FY19, FY20, FY21, and FY22 (to be reviewed in Fall 2021 for extension or modification for future years) with the following provisions.

- a. Five Colleges will support more of the costs of operating the Five College routes as defined by the net operating cost of the routes less appropriate credits for state and federal operating subsidies/assistance and current amounts of fare box revenues for those routes as described in Table 1 (excluding any increase in fare box revenues from future fare increases) through a combination of payments to the communities of their “shares” of the route costs each year determined by the usual assessment formulas and supplemental funds paid each year by Five Colleges to PVTA totaling the following amounts so long as the route system for FY18 is not changed, and that a proportional adjustment is made in these targeted amounts for any route adjustments.
 - i. FY19 \$600,000
 - ii. FY20 \$650,000
 - iii. FY21 \$700,000
 - iv. FY22 \$750,000
- b. The supplemental funds will be paid to PVTA in two installments each year by Five Colleges based on PVTA invoices (each for half of the annual supplemental amount) submitted to Five Colleges in October and February of each fiscal year.
- c. The communities agree to advocate for the continuation of the Five College bus routes in their present configuration if there is reasonable ridership.
- d. PVTA removes the Five College share of any current “phantom fare” from the community assessment calculation and Five Colleges will cease to pay any “phantom fare” portion of the community assessments.
- e. PVTA will endeavor to sustain the Five College bus routes if there is reasonable ridership and agrees to give at least six months notice of any changes.
- f. PVTA agrees that adjustments to the Five College bus routes in terms of schedule and intermediate stops between the campuses will only be made after careful consultation with the campuses and Five Colleges, Incorporated.
- g. Since the Five College Consortium supports inter-campus PVTA bus service to meet critical needs for students from each campus to take courses at other campuses and for employees to use public transportation instead of private vehicles, Five Colleges, Incorporated reserves the right to withdraw from this agreement with one-year’s notice if service reductions among the campuses or extended travel times between campuses causes an unacceptable degradation of inter-campus service as determined by Five Colleges.

In recognition of completing a contractual form of this proposed agreement and in good faith, Five Colleges will make a first step by paying to PVTA in Spring 2018 (upon suitable invoice) the amount of \$50,000.

Table 1. Calculation (by PVTA) of costs and sources of revenue/subsidy/support.

FY17 is based on actual information; FY18 is based on estimates and 3% cost increases.

Five College Cost		
Direct Operation Cost	FY 17	FY 18
Route 38	\$ 730,344	\$ 752,254
Route 39	\$ 400,622	\$ 412,641
Route M40	\$ 193,593	
Route B43 express addition		\$ 40,980
Route B43	\$ 1,491,879	\$ 1,536,635
Total Operation Cost	\$ 2,816,438	\$ 2,742,510
PVTA Administration & Interest	\$ 295,877	\$ 288,111
Total Fully Allocated Five College Cost	\$ 3,112,315	\$ 3,030,621
Five College Subsidy Allocation (FY 15 allocat		
	FY 17	FY 18
State Contract Assistance	\$ 1,658,012	\$ 1,614,492
Federal Operating Subsidy	\$ 299,472	\$ 291,611
Farebox	\$ 110,989	\$ 110,989
Total subsidies	\$ 2,068,473	\$ 2,017,092
Net Cost - Five College Routes	\$ 1,043,843	\$ 1,013,530
Five College Assessment - Regular Process	\$ 497,368	\$ 482,925
Balance of Cost - Five College Routes	\$ 546,475	\$ 530,605
<p>Note: Estimate based on prior year assessment rate per net cost, however, It is very difficult to estimate an out year assessment as it is dependent upon all other routes in all other communities and can be affected by unknowns (detours, bridges out, etc.) However, with this scenario if the assessment goes up or down, the percentage of balance proposal would still compensate PVTA for a portion of the balance</p>		

Patricia O'Leary

Chief Financial Officer

PVTA - 2808 Main Street, Springfield, MA 01107

(413) 732-6248, ext. # 207



**Table 2. PVTA indicated the following amounts for Five College payments to the towns to cover town assessments for the Five College buses in recent years.
(amounts include a modest “phantom fare”)**

- 1) For year ended 6/30/2017 \$497,368
- 2) For year ended 6/30/2016 \$515,817
- 3) For year ended 6/30/2015 \$511,689*
- 4) For year ended 6/30/2014 \$570,765
- 5) For year ended 6/30/2013 \$558,607
- 6) For year ended 6/30/2012 \$497,318

*NOTE: Given the cap on annual increases in the total of all assessments to the towns, the reduction in assessments for the Five College bus routes from FY14 to FY15 for essentially the same route service resulted from the expansion of the overall PVTA route system, making the Five College bus routes a smaller fraction of the total route system and hence a smaller fraction of the assessments.

If the Five College assessments had gone up at 3% per year after FY14 for essentially constant service, the values would have been the following.

FY15 \$587,888
FY16 \$605,524
FY17 \$623,690
FY18 \$642,401
FY19 \$661,673
FY20 \$681,523
FY21 \$701,969
FY22 \$723,028

Ira Brezinsky, Chair
Andrea Miles, Vice-Chair
Jeff Cyr, Clerk
Sarah Etelman,
Bruce Forcier

Michael J. Sullivan
Town Administrator

April 28, 2018

Honorable Selectboard,

Please accept this report as an abridged accounting of activities taking place in Town Hall and throughout South Hadley executed by municipal personnel.

TA Review/Appropriations Hearing; As you witnessed on Wednesday evening, the TA Review was well attended and there was robust discussion on numerous articles and great dialogue between members and administration.

It all got started at 4 PM with the By-law Review Committee review of articles 11 and 16. There was a lively debate about the proposed annual third party testing. All parties had some genuine areas of agreement, first that the Water from District 1 and 2 was excellent, as demonstrated by the historical and continuous testing data compiled by both districts. Second, that everyone is dedicated to ensuring that the water quality in the schools is safe and meet all lead and copper restricted standards set forth by the MassDEP.

Where there was some concern from individuals was the possible escalating cost, the process for sampling, the number of appliances which need to be tested immediately, retesting of the same appliances, why the state legislature is apprehensive about moving similar statewide legislation forward and generally a sense this proposal needed more public debate.

Most participants in the debate seemed favorable to having the BOH oversee the testing, that some funding would be needed and were encouraging a greater dialogue between the proponents, BOH and the Water District 1 and 2.

In the end the By-law Review Committee voted to recommend to the Selectboard they not support the article, this vote was unanimous. There was some conversation about reconvening the By-law Review Committee to consider some adjustments or changes, no motion was made and the Chair made no indication he intended to call an additional session.

Article 16 to change the composition of the Board of Health was voted out favorably, again unanimously. I believe the committee relied heavily on the will of the voters on this matter.

ClearGov, I recently participated in a webinar about some changes and new services being added to the platform. I find it to be a very useful comparative tool for budgeting. Especially is making comparisons with "peer group" communities.

Peer Group communities are ones which have demographic similarities with South Hadley, including per capita income, geographic and population size, educational attainment of populous and numerous other indicators. Spencer, Ludlow, Easthampton, Ware, Oxford and Belchertown are some of the communities which are part of our peer group. These group is formed by an algorithm ClearGov uses with twenty one different data points.

There is some information (FY17, FY 18) which we are working with ClearGov to update and we are considering some refinements they are developing. It is a work in process, I would encourage any and all to use this tool to better understand the trends in government spending. An access button is at the bottom on any town web page or paste below to browser.

<https://www.cleargov.com/massachusetts/hampshire/town/south-hadley/2017/revenue/taxes>

Arbor Day, Jack Fleming was deservedly honored at an Arbor Day ceremony held at the Arboretum @ MEMS. The ceremony was well attended, students, ConsCom past and present administrators, ConsCom past and present members, Selectboard Chair Ira Brezinsky, as well as members Forcier and Cyr. Dennis Swarthout and other Tree Committee Members hosted the ceremony and George Hahn one of the founders of the Arboretum.

It was nice day for South Hadley!



Bartholomew, Dory Huard and Brian Jamoroz from Bartholomew came out to meet and review both our General Fund portfolio and OPEB Trust investments with Treasurer/Collector Donna Whiteley. As a former Treasurer/Collector and a regular lecturer at MMA and MTCA events it is a valuable introduction.

Over the four and half year relationship with Bartholomew. We have grown our annual earnings to over \$300,000 annually (all interest earned is return to the specific sub account). As we have consolidated bank accounts (which paid little or nothing) we also have increased the money on deposit in the investment accounts from \$8 Million to nearly \$20 million. This benefits the town through higher returns, but also scholarship funds, conservation, SHELD and other specific holdings.

T/C Whiteley has been a great addition to the team here in Town Hall and her experience has made me all the more confident we will continue to become a solid fiscal community, even more so than presently.

Drug and Alcohol Coalition, Health Director Hart asked if I could meet with her, Karen Walsh Pio (South Hadley Drug and Alcohol Prevention Coalition) Heather Warner from the regional coalition and two master degree candidates from UMASS School for Public Policy. The purpose of the meeting was to review present Local Licensing Authority policies regarding alcohol beverage licenses.

Some of the suggested changes are a more stringent "keg" registry policy which could include permission from the Town before a keg is sold to an individual, no instore sampling, no home delivery, reduced signage for off premise. For restaurants and bars, no BYOB permits, no shots, no pitchers, no servers under 21 (presently the state allows anyone over 18), no vending machines, no drive through, reduced or limited advertising and a number of other practices to curb underage drinking.

While this is interesting work and I appreciated having a meeting, I am not sure of their positioning. I would suggest the SB could consider a future agenda item and even perhaps invite the group in to speak to the reasoning and evidence for these changes. I do appreciate all efforts to reduce underage drinking, which through the hard work of Carol, Sharon and Heather there is significant evidence underage drinking has been reduced in the last decade in South Hadley significantly.

Professional Development Day, The topic was "Internal and External Communications", similarly this week's Healthy Workplace Luncheon discussed how we respond to colleagues. Is there a sense we consider each other's needs, workloads and responsibilities.

Both conversations were helpful in identifying out communication defects and reviewing what we do every day to support each other. At the Professional Development Day there was an interesting conversation about “Emotional Intelligence” and how some managers are “directive managers, those who are more prone to give an order and expect it to be completed or “informative managers”, who tries to encourage practices and cajole employees to be part of a bigger picture. Like most trainings, everyone is a little of each and some days more of one than the other.

However one manages it is important for them to know there are other styles. There also was discussion on how we communicate with the public and how we formulate opinions about people, issues and places. We rely heavily on past experiences and prejudices when we do make judgements, sometimes to our detriment.

River Roll and Stroll MassDOT Meeting, There was a recent meeting in Northampton in regards to the May 6 River, Roll and Stroll. Chief Parentela and I were in attendance from the TOSH and Fire District 1 was also at the meeting.

There was very little change in process, protocol or preparedness. Now we only have to hope for good weather. Thank you to Republic Services, E-Ink and all the other sponsors for their generosity.

Business West: Editor George O’Brien of Business West was in recently to do the annual piece on South Hadley, which should appear in May. I am so grateful Business West features South Hadley annually, there are only 12 of these editions and as a smaller community it sometimes is difficult to get you nose in the tent. After Springfield, Holyoke, Westfield, Northampton, Chicopee, Greenfield, Pittsfield, Agawam have their month, there is not much left.

This is a valuable way to get the good news of South Hadley out, we discussed Drunken Rabbit Brewery, MHC investments, expected business expansions on Gaylord Street, MassWorks improvements to the infrastructure to assist in those expansions, the growing demand at the Village Commons, Woodlawn Plaza improvements and generally the positive business climate in South Hadley. I suggested he have conversations with several other sources and supplied him with names.

I should have motions available next Thursday, it is important I get any changes which may be contemplated at you SB meeting May 1...May 1 can you believe it. Thank you for your support!

Respectfully submitted,

Michael J Sullivan
Town Administrator, South Hadley