

(The following is not a verbatim transcript of comments or discussion that occurred during the meeting, but rather a summarization intended for general informational purposes. All motions and votes are the official records).

FINANCE COMMITTEE

Regular meeting of the Finance Committee was held on Thursday, November 12, 2015, in the Council Chambers, City Hall, Cranston, Rhode Island.

CALL MEETING TO ORDER:

The meeting was called to order at 7:32 P.M. by the Chair.

Present Councilman Steven A. Stycos, Chair
 Council Majority Leader Paul H. Archetto, Vice-Chair (left meeting at 9:30 p.m.)
 Councilman Michael J Farina
 Councilman Mario Aceto
 Council Vice-President Richard D. Santamaria, Jr.
 Council President John E. Lanni, Jr.

Absent: Councilman Donald Botts, Jr.

Also Present: Council Minority Leader Michael W. Favicchio
 Robert Coupe, Director of Administration/Acting Personnel Director
 Carlos Lopez, Chief of Staff
 Christopher Rawson, City Solicitor
 Robert Strom, Director of Finance
 Salvatore Saccoccio, Tax Assessor
 Anthony Moretti, City Council Internal Auditor
 Maria Medeiros Wall, City Clerk
 Rosalba Zanni, Assistant City Clerk/Clerk of Committees
 Heather Finger, Stenographer

MINUTES OF THE LAST MEETING:

On motion by Councilman Aceto, seconded by Council Vice-President Santamaria, it was voted to dispense with the reading of the minutes of the last meeting and they stand approved as recorded. Motion passed unanimously.

CORRESPONDENCE:

OLD BUSINESS:

8-15-03 Ordinance in amendment of Title 2 of the Code of the City of Cranston, 2005, entitled "Police Department" (Composition). Sponsored by Councilman Stycos. (Cont. 9/17/2015 & 10/15/2015). [\[click to view\]](#)

On motion by Council Vice-President Santamaria, seconded by Councilman Aceto, it was voted to continue this Ordinance to the January meeting due to ongoing discussion with legal counsel.

Under Discussion:

Chair asked what the status is of the Josefson issue. Mr. Coupe stated that counsel for Officer Josefson and the City are in negotiations and is moving very slowly. He agrees with continuing this Ordinance to the January meeting.

Roll call was taken on motion to continue this Ordinance to the January meeting was taken and motion passed unanimously.

9-15-01 Ordinance authorizing the City to utilize Western Cranston Library Impact Fees for Central Library Youth Services renovation. (Cont. 10/15/2015). [\[click to view\]](#) [\[click to view impact fee\]](#)

On motion by Councilman Farina, seconded by Council Majority Leader Archetto, it was voted to recommend approval of this Ordinance.

Under Discussion:

Chair stated that he was told in the past that Impact Fees had to be used for new construction. He asked if this is true. Solicitor stated that under State Law, Impact Fees have to be used for Capital Improvements. Capital Improvements is for increasing the value of the property or enhances the use of the property.

Ed Garcia, Director of Library, appeared to speak in favor of this Ordinance.

Peter Lapolla, City Planner, stated that the Impact Fees are associated with various projects through the Planning Commission.

Councilman Farina stated that this is a great use of the funds to enhance our library for the youths of our City who may not have a computer or an iPad at home to do reports for school.

Councilman Aceto stated that this is done through the Capital Budget. This project was not planned in the Budget; the Oaklawn Library, which is in Western Cranston, is peeling; we need to check with these funds to see if those funds need to be returned back to the builders. The Library can borrow the money from the City and pay it back if they want this done at the Central Library.

Council Vice-President Santamaria asked why this was not in the Capital Budget. Mr. Garcia stated that the Library Board did not realize they had to come to the City Council. They were under the impression that they had to go through the Planning Commission.

Councilman Aceto asked if we know for a fact that those monies are available and we are not out of time period that those monies have to be returned. Mr. Strom stated that the bulk of the money is 10 years or less. This was done differently because he was getting Grant money as well. Councilman Aceto stated that he would consider having a paint job done at the Oaklawn branch. Mr. Strom stated that paint job is not considered Capital improvement. There is \$400,000 available and using this money for a new branch in Western Cranston would not be enough.

Council Majority Leader Archetto asked what the Administration's position is regarding this issue. Mr. Coupe stated that the Administration gives a positive recommendation.

Councilman Aceto stated that this is not part of the Budget or the Capital Budget and morally he would be doing his constituents a disservice by approving this.

Council Majority Leader Archetto asked how much the Grant is that the Library has received. Mr. Garcia stated approximately \$200,000, which is from the Champlin Foundation.

Councilman Aceto asked when the last time any expenditures were taken out of that fund. Mr. Strom stated that he does not see any funds ever taken out. Councilman Aceto asked how long this fund has been in existence. Mr. Strom stated, since 1998. There was not that much money put into that fund. Most came after 2002.

Councilman Farina stated that the Library is entitled to spend this money. There really did not need to be an Ordinance for this.

Council Majority Leader Archetto asked if the Mayor is the only one that can release Capital funds. Mr. Strom stated that it is released based on requisition by a Department. He releases the bond money for a project and not the Mayor.

Chair quoted Section 15.04.010 of the Code, which states that this needs to be done through the Capital Budget.

Council Minority Leader Favicchio stated that the money can only be used for one thing, the Library. If we don't use, it will stay idle and possibly have to return it years from now.

Council Vice-President Santamaria stated that Impact Fees are to be used for impact. We used Impact Fees for traffic light at Atwood and Walnut Grove where traffic was causing dangerous situations and accidents; we used Impact Fees for removing the oil tank in Knightsville where we were paying fines to DEM for oil leaking; we also used Impact Fees for building the salt barn. Those are his definitions of how we should use Impact Fees.

Chair quoted Section 6.12 of the Charter in regards to Impact Fees.

Councilman Aceto stated that he would support the project and also would be willing to lend the Library the money for the project, but due to the language in the Charter and the Ordinance, clearly under abundance of caution, we should wait until proper time to fund properly.

Council Majority Leader Archetto recommended tabling this Ordinance and getting some opinions from the Parliamentarian or other attorneys.

Council Vice-President Santamaria motioned to continue this Ordinance until the January Finance meeting when it falls into the Budget cycle Council Majority Leader Archetto seconded the motion.

Under Discussion:

Mr. Strom stated that we will not have a Capital Budget in January with this included because it is too soon for Capital Budget process.

Roll call was taken on motion to continue this Ordinance until the January Finance meeting and motion passed on a vote of 5-1. The following being recorded as voting "aye": Councilman Stycos, Council Majority Leader Archetto, Council Vice-President Santamaria, Councilman Aceto and Council President Lanni -5. The following being recorded as voting "nay": Councilman Farina -1.

PUBLIC HEARINGS/NEW BUSINESS:

John Steele, Senior Director of Government Relations, Tyco Fire Products, 1467 Elmwood Ave., appeared to speak in favor of this Ordinance and stated that this Abatement helps in predictability and transparency.

Roger Wylkins, Director of Project Engineering and Facilities, Tyco Fire Products, 1467 Elmwood Ave., appeared to speak in favor of this Ordinance and stated that this Ordinance would benefit businesses such as Tyco and businesses that would want to invest in the City of Cranston.

10-15-02 Ordinance in Amendment of Chapter 3 of the Code of the City of Cranston, 2005 entitled "Revenue and Finance. (Tax Incentive Industrial 15 and 20 Year). Sponsored by Mayor Fung. [\[click to view\]](#)

On motion by Councilman Aceto, seconded by Council President Lanni, it was voted to recommend approval of this Ordinance.

Under Discussion:

Mr. Coupe stated that this Ordinance is for a 15 year phase-in for Real Estate taxes with minimum projects of \$12 million and 20 years phase-in for minimum projects of \$20 million. These incentives apply only to projects in Industrial Zoned areas. This Ordinance would require the developer to come before the City Council before any money is spent on the project.

Councilman Aceto asked if Tyco will be requesting this and if Tyco is planning to add more jobs. Mr. Wylkins stated that they do not have any future plans, he is present to support the Ordinance for a possibility of expanding in the future.

Council Minority Leader Favicchio stated that approving these Tax Incentives, we are not spending City money, we are just deferring future tax revenues. These programs could generate new businesses in the City.

Council Majority Leader Archetto asked what the Chamber of Commerce's opinion is regarding this. Larry DiBoni, Director of Economic Development, appeared to speak and stated that he spoke to the President of the Cranston Chamber of Commerce and he is not opposed to this. Council Majority Leader Archetto asked Mr. Saccoccio if this is going to be difficult to implement. Mr. Saccoccio stated that this Ordinance is structure the same as the other Ordinances that we have.

Chair asked if there are any current projects the Administration foresees applying for this. Mr. Coupe stated that at this time, there are no projects proposed. There are businesses that we hope and project may take advantage of this Incentive.

Roll call was taken on motion to recommend approval of this Ordinance and motion passed unanimously.

10-15-03 Ordinance transferring appropriations and amending the Budget for the Fiscal Year commencing July 1, 2014 and ending June 30, 2015 (4th Quarter Transfers/Supplemental Appropriations). Sponsored by Mayor Fung.
[\[click to view\]](#)

On motion by Councilman Farina, seconded by Councilman Aceto, it was voted to recommend approval of this Ordinance.

Under Discussion:

Mr. Strom appeared to explain this Ordinance and stated that this year he is a little late in bring this before the Council due to personnel who were not in the office during the Summer. Typically, this fourth quarter transfer would come before the Council in June or July. He also indicated that this process is done every year.

Mr. Moretti stated that he agrees with Mr. Strom that this is merely an exercise. He is not sure that it's really necessary other than it's required by the Charter.

Chair questioned a tree service company that was doing work on trees that was not approved. Mr. Strom stated that he will have to check into this. Chair questioned the amount of transfer for the Parks and Recreation Department. Mr. Strom stated that he will have to check on this also.

Roll call was taken on motion to recommend approval of this Ordinance and motion passed unanimously.

10-15-04 Ordinance ratifying School Committee's Amendment of the Collective Bargaining extension agreement with the National Association of Government Employees (NAGE) Local RI-153 (Custodians 2014-2017). [\[click to view\]](#)

Ray Votto, School Chief Operating Officer, appeared to speak and stated that one of the amendments is to institute flex shifts in exchange for 4% raise to the custodians and 5% to the utility crew for one fiscal year. Flex crew would be used for Saturdays to do work that can't be done during the week when students are in schools for projects that ordinarily would go out to bid.

On motion by Councilman Aceto, seconded by Council President Lanni, it was voted to recommend approval of this Ordinance.

Under Discussion:

Mr. Moretti addressed the fiscal note and stated that Mr. Balducci, School Chief Financial Officer, was conservative. Reduction of Overtime is not included in this fiscal note.

Mr. Strom stated that he questioned what these employees are making in salaries and Mr. Balducci stated that the ground crew makes \$37,700 and custodians make \$29,000 and these raises are fair and equitable.

Council Majority Leader Archetto asked what the vote was on this from the School Committee. Mr. Votto stated that it was unanimous. Council Majority Leader Archetto stated that this contract is fair and equitable.

Roll call was taken on motion to recommend approval of this Ordinance and motion passed unanimously.

Review of snow plow contractors list. Councilman Stycos

No discussion.

- **Real Estate Tax Abatements** [\[click to view\]](#)

On motion by Councilman Farina, seconded by Councilman Aceto, it was voted to recommend approval of the above list of Tax Abatements. Motion passed unanimously.

- **Motor Vehicle Tax Abatements** [\[click to view\]](#)

On motion by Councilman Farina, seconded by Councilman Aceto, it was voted to recommend approval of the above list of Tax Abatements. Motion passed unanimously.

- **Tax Assessment Board of Review Decisions as of December 31, 2014** [\[click to view\]](#)

No action needed.

- **Tax Interest Waiver Approvals** [\[click to view\]](#)

On motion by Councilman Farina, seconded by Councilman Aceto, it was voted to recommend approval of the above list of Tax Interest Waiver Approvals. Motion passed unanimously.

- **Tax Interest Waiver Denials** [\[click to view\]](#)

On motion by Councilman Farina, seconded by Councilman Aceto, it was voted to recommend approval of the above list of Tax Interest Waiver Denials. Motion passed unanimously.

The meeting adjourned at 10:55 P.M.

Respectfully submitted,



Rosalba Zanni
Assistant City Clerk/Clerk of Committees