

REGULAR MEETING – CITY COUNCIL

-DECEMBER 15, 2003-

Regular meeting of the City Council of the City of Cranston was held on Monday, December 15, 2003.

The meeting was called to order at 7:05 P.M. by the Council President.

Roll Call showed the following members present: Councilmen Fung, Jackvony, Councilwoman O’Hara, Council Member Fogarty, Councilwoman McFarland, Councilmen Ferolito, Lanni, McDonough and Council President Pastore –9.

Also Present: Mayor Stephen Laffey; Paul Grimes, Director of Administration; Robin Muksian-Schutt, Deputy Director of Administration; Jametta Alston, City Solicitor; Evan Kirshenbaum, Assistant City Solicitor; Jerome Baron, Director of Finance; Mike Igoe, City Controller; Randy Rossi, City Treasurer; Pat Quinlan, City Council Legal Counsel; Steve Woerner, City Council Internal Auditor.

Councilman McDonough led the Pledge of Allegiance. Council President Pastore gave the Invocation.

Minutes of the last meeting were dispensed with and stand approved as recorded.

Council President Pastore stated that Mr. Baron is not feeling well and would probably be leaving the meeting early. He also stated that the Investment Commission met last week and he could not attend but Mr. Baron had provided him with tapes of the meeting and thanked him for that.

I. PUBLIC ACKNOWLEDGEMENTS AND COMMENDATIONS

“IN RECOGNITION OF MELISSA FIORENTINO, UNDEFEATED AMATEUR WORLD KICK BOXER.”

On motion by Councilwoman McFarland, seconded by Councilman Fung, it was voted to defer this to the January Council meeting. Motion passed 9-0 on a voice vote.

II. INTRODUCTION OF UNDOCKETED RESOLUTIONS

No Business.

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III. EXECUTIVE COMMUNICATIONS

“RECERTIFICATION OF JEFFREY WALL, CRANSTON FIRE DEPT.”

On motion by Councilman McDonough, seconded by Councilwoman McFarland, it was voted to approve this re-certification. Motion passed on a vote of 9-0. The following being recorded as voting “aye”: Councilmen Fung, Jackvony, Councilwoman O’Hara, Council Member Fogarty, Councilwoman McFarland, Councilmen Ferolito, Lanni, McDonough and Council President Pastore –9.

“MAYOR LAFFEY – AUDIT COMMENTS”

Mayor Laffey appeared to speak and stated that he called the Auditor General’s Office and as of 3:30 today, no other municipality had filed an Audit Report. Today, we have good news: we have a surplus and we have begun to replenish the Rainy Day Fund.

“AUDIT PRESENTATION BY PRESCOTT, CHATELLIER, FONTAINE & WILKINSON”

Jim Prescott of Prescott presented the draft of the FY 2003 Audit to the City Council. Mr Prescott stated that the Audit opinion was two pages. There is no management letter in this packet. This is the first time they’ve given the City an unqualified report with no modifications. Mr. Prescott gave a brief presentation of the financial statements. Mr. Prescott stated there is a deficit of \$100,000,000, which pulls in all the City’s liabilities including pension obligations of police and fire. Eighty (80) percent of the deficit is pension liability. Council President Pastore asked that Mr. Prescott check the GASB regulations to see if there have been any changes in the regulations and when 40 year amortization for pension funds will be reduced by 20 years, and advise the Council at the December 29, 2003 Special Council meeting. Mr. Prescott stated that the opinion is unqualified because the City met its pension contributions. Mr. Prescott stated that the City now has a \$3 million undesignated surplus due to the supplemental tax. He listed the legal fees as unfavorable with legal accrual of \$1.2 million, and Other expense of 1.5 million. Council President Pastore stated that the \$1.2 million legal accrual was not approved, and asked for an explanation of the accruals of the legal bills. Mr. Prescott stated that this is an estimate based on legal opinions from the attorneys. Mr. Baron stated that the liability of Scituate Avenue expenses are being acknowledge and provided for, that this had not been done previously.

School’s General Fund expenses exceed revenues by \$950,000. On page 66, the \$3.9 deficit is cumulative. The School Department has a significant deficit for Fiscal Year 2003. Sewer Fund had a surplus of \$4 million this year. One reason is collection rate increased. Hospitalization Fund for the City and Schools is now included in the General Fund, this is a significant change. He addressed the Management Letter. He stated that the City still has a \$200 million liability; budget process variations, we have found just about none. Accounting Manual was done this year by the City and credited Mr. Igoe. Mr. Prescott stated that there is a list of Audit adjustments, many listed in the letter are provided to us by the Administration. There are some that the Audit Firm came up with and the City agreed. Council President Pastore requested the City Clerk to send copies of the Audit to members of the Audit Committee and make one copy available to each library branch and one copy available in the Clerk’s Office for the public to view.

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Councilwoman McFarland asked what the changes in the Insurance Risk surplus were. Mr. Prescott stated the significant change was there was a \$2.3 million transfer to Insurance Risk from the General Fund supplemental tax. Councilwoman McFarland asked when the Council will be receiving the Management Letter. Mr. Prescott stated, within this week.

Council President Pastore questioned pg. 20 of the Audit stating it shows City has \$3 million unreserved surplus, and a school deficit of \$4.1 million, the \$1.1 million deficit is a consolidated amount. Mr. Prescott stated that it is something the Council should be aware of, but he does not think you could call it a consolidated amount.

IV. COUNCIL PRESIDENT COMMUNICATIONS

Council President Pastore announced a Special Council meeting on Monday, December 29, 2003 at 7:30 PM to accept the Audit, conclusion on how to seek Court opinion on FY 03 fund balance transfers; and asked that the City Clerk send notice of this meeting to the Mr. Prescott and the Audit Committee.

Council President Pastore stated that Mr. Quinlan and Ms. Alston will be meeting to wrap up the issue regarding year to end financials on the fund transfers and we should get this information by December 29th Special Council meeting and this should be placed on the Agenda for this meeting.

Council President Pastore spoke regarding the legal fees and asked why we are charging business cards to litigation account. Mr. Grimes stated that this is an error and it should be charged to Administration Legal Expenses.

V. COUNCIL MEMBER COMMUNICATIONS

Councilwoman O'Hara commended the public for their support in paying the supplement tax. Council President stated that this raised taxed by \$11 million, and would expect nothing less than a surplus.

Councilman Fung acknowledged and thanked Mr. Baron and the Finance Department for their work on the Audit.

Mr. Igoe presented a handout of summary of year to date. He stated Revenues \$98,927,759; Expenditures \$79,407,693; Fire Overtime \$434,081 and Chief Warren stated to him that there will be excess in his Severance Account to cover this; \$82,000 we received from meal tax first payment.

Council Member Fogarty inquired if the City had received snow reimbursement monies from the State. Mr. Sciappa stated that we received Federal funds for a snow storm last year, and asked how much was it and when was it received and where was it placed. Mr. Igoe stated that this was placed in the Snow and Ice Fund. He stated that he would have to check on the amount and would show on the trial balance sheet.

Councilwoman O'Hara presented a memo from the Audit Committee approving a list of priorities for Mr. Woerner asking for the Council to approve this list. She stated that the majority of these recommendations were taken right from the Auditor General's report.

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On motion by Councilwoman O'Hara, seconded by Councilman Lanni, it was voted to approve the priorities list as recommended by the Audit Committee for Mr. Woerner.

Under Discussion:

Councilman Fung stated he does not agree with the majority of items on the list. Councilman Jackvony stated that he feels #7 on the list should receive a higher priority. He questioned why this was placed as #7 on this list. Council President Pastore stated that things on this list will shift around accordingly. A few of the items before #7 are not as labor intensive. Councilman McDonough stated that he has a concern with #9. He stated that we are currently working on this in Public Works and will be hearing this in February. Councilwoman O'Hara stated that the reason this is on this list, is because it was listed in the Auditor General's report and the Audit Committee felt it should be here. Council President Pastore suggested Mr. Woerner attend the February Public Works Committee meeting. Mr. Woerner stated that he will work with the Public Works Director and Chairman of Public Works Committee.

Motion passed on a vote of 8-1. The following being recorded as voting "aye": Councilman Jackvony, Councilwoman O'Hara, Council Member Fogarty, Councilwoman McFarland, Councilmen Ferolito, Lanni, McDonough and Council President Pastore -8. The following being recorded as voting "nay": Councilman Fung -1.

Councilman Fung stated that a lot of the Council members have questions on the actual plan for snow removal and asked the Public Works Director if he could meet with the Council members to go over the snow removal process.

Councilman Ferolito inquired of Mr. Sciappa how frequently the street maps are up dated due to complaints he received as a result of the snowstorm. Councilman Fung stated that he had a lot of questions on snow removal process and suggested that they set up a time to meet and go over the plan.

Council Member Fogarty stated that she has reviewed the plan, and doesn't know what happened during the last snow storm. The streets were not touched and she received a lot of complaints from constituents. Mr. Schiappa stated that there has been an internal staff meeting following the storm and some modifications have been made so that what happened does not happen again. We have 15 areas and 14 dispatchers. They will be adding two foremen check the districts. Councilman Lanni agreed that we need a meeting, the taxpayer does not need to go through this. Mr. Grimes stated that a great way for the Council and City to work together is if the Council would like to get involved is the Council could go out to the Wards and the City would not sign off on a Ward until the Council member signs off. Councilman McDonough asked what the problem was with the lack of sanding in the last snow storm. Mr. Schiappa stated that the City concentrated on the areas that have hills. The sand runs out quick on a truck and they have to get back to the Highway Garage to refill the truck. We need to concentrate on the plowing operation in the problem areas. Council President Pastore suggested that the Public Works Committee should discuss the snow removal process. Councilwoman McFarland stated that we have an Emergency Management member of the Council that would go out during a snow storm with the plow trucks. No one was invited to attend the meeting Mr. Schiappa spoke about. No one was cited for not shoveling their sidewalks by business owners or homeowners. No one was given a notice or a warning on this. Councilwoman O'Hara stated that at the meeting, she would like the following: address the issue of the Edgewood area. A lot of the streets down the Boulevard are dead ends and are hills and in the past, they were plowed first, this time, they were not.

VI. PUBLIC HEARINGS

Jim Davies appeared to speak and asked if the work of the Audit Committee would be made available to the public. Councilwoman O'Hara stated, yes, it is an open meeting and will be posted. The minutes are also available. Mr. Davies asked that the minutes be placed on the Internet.

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VII. UNDOCKETED RESOLUTIONS

No Business.

VIII. DOCKETED RESOLUTIONS

“RESOLUTION APPROVING THE LEASE AGREEMENT BETWEEN PARK CINEMA AND THE CITY OF CRANSTON.”

Darrell Brown, Director of Economic Development, appeared to speak and stated that in May, 2003, the Mayor entered into a Memorandum of Understanding with the developer and Section “G” indicated that we would enter into a lease with the developers and lease would have the following: 10-year lease; it would be for a dollar amount; developer would provide insurance of indemnification. If Safety Services and Licenses Committee grants the liquor license by December 31 and if we fail to enter into the lease, we would be in breach of the Memorandum of Understanding. Council President Pastore stated he had a conversation with Mr. Brown today regarding the lease and he gave him his thoughts and opinion. He pointed out Section 7.08 of the Charter, which requires Council approval when entering into a lease. We have a Memorandum of Understanding in draft by Ordinance. He stated he has concerns with the 10-year lease. We have an insurance policy that will carry out for the 10 years with a locked-in dollar a year for 10 years and we are also locking in the insurance part of it. His concern is not the structure of the lease.

Mr. Kirshenbaum stated that Section 7.08 is set up for the bid process. This is an economic development initiative. This is a separate private venture. If we did not have a lease, we would not be liable, he disagrees with this. Council President Pastore questioned why submit to Council for approval. Mr. Brown stated that this is a public private partnership. This is why we are asking for the Council’s support. It is not the Administration’s intent to develop this project in isolation.

Council Member Fogarty stated that what the Council did was permit the Mayor to negotiate. The Mayor is not going to do Fire inspections or issue certificate of occupancy.

Council President Pastore stated that Article 9 of the lease states that this lease is assignable. If this is assigned and it does not come before the Council for approval, we would be relinquishing authority.

Councilwoman McFarland spoke regarding Section 6.3 and asked what the terms of the revolving loan are. Mr. Brown stated that we have not begun negotiations regarding this. The terms would be that they would have to provide financing tax returns, which the Revolving Loan Board would review this. He stated that this project has qualified for a federal grant. Councilwoman McFarland stated that the CDBG (Community Development Block Grant) funds are approved by the Council and not just the Mayor or the federal government. The Council has not approved any revisions for the CDBG Fund and we should make decisions on whether funds should be reimbursed. Mr. Brown stated that we have not entered into a contract as to the grant. Mr. Plourde appeared to speak and stated that they have spent a lot of money for this project and consultants have been hired and spoke to them about their need for parking and helped with the financing. He urged the Council to pass this Resolution.

On motion by Councilman Lanni, seconded by Councilman Ferolito, the above Resolution was adopted on a vote of 8-1. The following being recorded as voting “aye”: Councilmen Fung, Jackvony, Councilwoman O’Hara, Council Member Fogarty, Councilwoman McFarland, Councilmen Ferolito, Lanni and Councilman McDonough – 8. The following being recorded as voting “nay”: Council President Pastore –1.

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“RESOLUTION TRANSFERRING CARE AND CUSTODY OF ORCHARD FARMS ELEMENTARY SCHOOL TO THE CRANSTON SCHOOL COMMITTEE”.

On motion by Councilman Jackvony, seconded by Councilmen Ferolito, the above Resolution was adopted on a vote of 8-0. The following being recorded as voting “aye”: Councilmen Fung, Jackvony, Councilwoman O’Hara, Council Member Fogarty, Councilwoman McFarland, Councilmen Ferolito, McDonough and Council President Pastore –8. Councilman Lanni was not present for roll call vote.

“JOINT RESOLUTION SUPPORTING HISTORIC PRESERVATION OF CRANSTON HISTORIC ASSETS”.

On motion by Councilman Jackvony, seconded by Councilman McDonough, the above Resolution was adopted on a vote of 8-0. The following being recorded as voting “aye”: Councilmen Fung, Jackvony, Councilwoman O’Hara, Council Member Fogarty, Councilwoman McFarland, Councilmen Ferolito, McDonough and Council President Pastore –8. Councilman Lanni was not present for roll call vote.

**IX. REPORT OF COMMITTEES
COMMITTEE ON ORDINANCE**

9-03-1 “ORDINANCE AMENDING THE BUDGET FOR THE FISCAL YEAR COMMENCING JULY 1, 2003 AND ENDING JUNE 30, 2004. (CROSSING GUARDS).”

On motion by Councilwoman McFarland, seconded by Councilman Ferolito, the above Ordinance was adopted on a vote of 7-1. The following being recorded as voting “aye”: Councilmen Fung, Jackvony, Councilwomen O’Hara, McFarland, Councilmen Ferolito, McDonough and Council President Pastore –7. The following being recorded as voting “nay”: Council Member Fogarty –1. Councilman Lanni was not present for roll call vote.

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9-03-7 “ORDINANCE IN AMENDMENT OF CHAPTER 2 OF THE CODE OF THE CITY OF CRANSTON, 1970, ENTITLED ‘ADMINISTRATION’ (ADMINISTRATIVE UNIT BENEFITS).”

On motion by Councilman Fung, seconded by Councilwoman McFarland, it was voted to adopt this Ordinance.

Under Discussion:

Councilwoman McFarland suggested mentioning in the contract what may or may not be discharged as personal days. Ms. Alston suggested adding wording something like “the following would be grandfathered in” or add “after this date”. She recommended tabling this Ordinance and have more discussion on it. Council President Pastore suggested passing this Ordinance and then in the future, amend it to address the contracts already in place. Councilwoman McFarland stated that the City Clerk and Registrar should not be part of the Administrative Unit package. They are Council appointments. Council President Pastore stated that it should be highlighted that the Mayor has authority to remove with the exception of those two positions. Councilwoman McFarland stated that this was removed, it does not address Mayor’s power of removal.

Council President Pastore addressed Article 2 percentage increase at the discretion of the Mayor. He stated that this requires Council’s approval also. He asked that the Solicitor give the City Clerk the amendments to this Ordinance and the City Clerk advertise it and it will be voted on at the December 29 Special meeting.

On motion by Councilman Fung, seconded by Councilwoman McFarland, it was voted to amend the above Ordinance as follows: delete 5th line of the Ordinance as follows - “Any provisions contained in any personal services contracts with any members of the Administrative Unit shall be null and void.” Motion passed on a vote of 9-0. The following being recorded as voting “aye”: Councilmen Fung, Jackvony, Councilwoman O’Hara, Council Member Fogarty, Councilwoman McFarland, Councilmen Ferolito, Lanni, McDonough and Council President Pastore –9.

On motion by Councilwoman McFarland, seconded by Councilwoman O’Hara, it was voted to advertise the above Ordinance and continue it to the December 29, 2003 Special Council meeting and bypass Ordinance Committee. Motion passed on a vote of 9-0. The following being recorded as voting “aye”: Councilmen Fung, Jackvony, Councilwoman O’Hara, Council Member Fogarty, Councilwoman McFarland, Councilmen Ferolito, Lanni, McDonough and Council President Pastore –9.

10-03-3 “ORDINANCE AMENDING THE BUDGET FOR THE FISCAL YEAR COMMENCING JULY 1, 2003 AND ENDING JUNE 30, 2004” (PERSONNEL).”

On motion by Councilwoman McFarland, seconded by Councilman McDonough, the above Ordinance was adopted on a vote of 9-0. The following being recorded as voting “aye”: Councilmen Fung, Jackvony, Councilwoman O’Hara, Council Member Fogarty, Councilwoman McFarland, Councilmen Ferolito, Lanni, McDonough and Council President Pastore –9.

10-03-4 “ORDINANCE AMENDING THE BUDGET FOR THE FISCAL YEAR COMMENCING JULY 1, 2003 AND ENDING JUNE 30, 2004. (LAW DEPARTMENT BUDGET).”

On motion by Councilwoman McFarland, seconded by Councilman Ferolito, the above Ordinance was adopted on a vote of 8-1. The following being recorded as voting “aye”: Councilmen Fung, Jackvony, Councilwomen O’Hara, McFarland, Councilmen Ferolito, Lanni, McDonough and Council President Pastore –8. The following being recorded as voting “nay”: Council Member Fogarty –1.

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COMMITTEE ON FINANCE

“RESOLUTION AUTHORIZING TAX ABATEMENTS – RECOMMENDED BY CITY ASSESSOR (REAL ESTATE ABATEMENTS).”

On motion by Councilwoman McFarland, seconded by Councilman Lanni, the above Resolution was adopted on a vote of 5-0. The following being recorded as voting “aye”: Councilman Jackvony, Councilwomen O’Hara, Council Member Fogarty, Councilmen Ferolito and Lanni -5. Councilman Fung and Council President Pastore abstained. Councilwoman McFarland and Councilman McDonough were not present for roll call vote.

“RESOLUTION AUTHORIZING TAX ABATEMENTS – RECOMMENDED BY CITY ASSESSOR (MOTOR VEHICLE ABATEMENTS).”

On motion by Councilman Lanni, seconded by Councilman Ferolito, the above Resolution was adopted on a vote of 6-0. The following being recorded as voting “aye”: Councilman Jackvony, Councilwomen O’Hara, Council Member Fogarty, Councilmen Ferolito, McDonough and Lanni -6. Councilman Fung and Council President Pastore abstained. Councilwoman McFarland was not present for roll call vote.

“RESOLUTION AUTHORIZING SUPPLEMENTAL ABATEMENTS–RECOMMENDED BY CITY ASSESSOR.”

On motion by Councilman Ferolito, seconded by Councilman Lanni, the above Resolution was adopted on a vote of 6-0. The following being recorded as voting “aye”: Councilman Jackvony, Councilwoman O’Hara, Council Member Fogarty, Councilmen Ferolito, Lanni and McDonough –6. Councilman Fung and Council President Pastore abstained. Councilwoman McFarland was not present for vote.

“TAX INTEREST WAIVER LIST”.

On motion by Councilman Lanni, seconded by Councilman Ferolito, it was voted to approve this list on a vote of 7-0. The following being recorded as voting “aye”: Councilmen Fung, Jackvony, Councilwoman O’Hara, Council Member Fogarty, Councilmen Ferolito, Lanni and McDonough –7. Council President Pastore abstained. Councilwoman McFarland was not present for vote.

COMMITTEE ON PUBLIC WORKS

“RESOLUTION AUTHORIZING THE CHANGE OF STREET NAME FROM WHITING STREET TO KOUTSOGIANE DRIVE.”

On motion by Councilman Lanni, seconded by Councilman McDonough, the above Resolution was adopted on a vote of 8-0. The following being recorded as voting “aye”: Councilmen Fung, Jackvony, Councilwoman O’Hara, Council Member Fogarty, Councilmen Ferolito, Lanni, McDonough and Council President Pastore –8. Councilwoman McFarland was not present for vote.

X. ELECTION OF CITY OFFICIALS

On motion by Councilwoman O’Hara, seconded by Councilman Ferolito, it was voted to re-appoint **Robert Baute, Jr.** as a member of the Audit Committee. Motion passed on a vote of 8-0. The following being recorded as voting “aye”: Councilmen Fung, Jackvony, Councilwoman O’Hara, Council Member Fogarty, Councilmen Ferolito, Lanni, McDonough and Council President Pastore –8. Councilwoman McFarland was not present for vote.

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XI. REPORT OF CITY OFFICERS

No Business.

XII. NEW BUSINESS

On motion by Councilwoman McFarland, seconded by Councilman Fung, the following introduced Ordinances be advertised for hearing before the Ordinance Committee on THURSDAY, January 15, 2004 at 7 PM pursuant to Sec. 3.12 of the Charter. Councilman McDonough objected to the introduction of proposed Ordinance 12-03-5.

Motion and second were withdrawn.

On motion by Councilwoman McFarland, seconded by Councilman Ferolito, the following introduced Ordinances, with the exception of 12-03-5, be advertised for hearing before the Ordinance Committee on THURSDAY, January 15, 2004 at 7 PM pursuant to Sec. 3.12 of the Charter. Motion passed on a vote of 9-0. The following being recorded as voting "aye": Councilmen Fung, Jackvony, Councilwoman O'Hara, Council Member Fogarty, Councilwoman McFarland, Councilmen Ferolito, Lanni, McDonough and Council President Pastore -9.

- 12-03-1 Ordinance amending the Comprehensive Plan of 1992 (Tasca). CITY PLAN COMMISSION 1/6/2004 and ORDINANCE COMMITTEE 1/15/2004.
- 12-03-2 Ordinance amending Chapter 30 of the Code of the City of Cranston, 1970, entitled "Zoning" (Change of Zone - Tasca). CITY PLAN COMMISSION 1/6/2004 and ORDINANCE COMMITTEE 1/15/2004.
- 12-03-3 Ordinance amending the Budget for the Fiscal Year commencing July 1, 2003 and ending June 30, 2004. FINANCE COMMITTEE 1/15/2004 and ORDINANCE COMMITTEE 1/15/2004.
- 12-03-4 Ordinance in amendment of Chapter 17 of the Code of the City of Cranston, 1970, entitled "Motor Vehicles and Traffic", "Same-Between 8:00 AM and 5:00 PM Monday through Friday" by deleting Cavalry St., portion of." ORDINANCE COMMITTEE 1/15/2004.

XIII. MISCELLANEOUS BUSINESS ON CLERK'S DESK

No Business.

XIV. PUBLIC HEARINGS ON UNDOCKETED ITEMS

None.

The meeting adjourned at 10:00 P.M.

Maria Medeiros Wall
City Clerk

Rosalba Zanni
Assistant City Clerk/Clerk of Committees

(See Stenographic Notes of Ron Ronzio Stenotypist).