

FINANCE COMMITTEE

Regular meeting of the Finance Committee was held on Thursday, December 4, 2008 in the Council Chambers, City Hall, Cranston, Rhode Island.

CALL MEETING TO ORDER:

The meeting was called to order at 8:00 P.M. by the Chair.

Present: Councilman Terence Livingston, Chair
Council Vice-President Paula McFarland, Vice-Chair
Councilman Anthony J. Lupino
Councilman Emilio L. Navarro
Councilman Jeffrey P. Barone
Council President Aram G. Garabedian

Also Present: Council Member Maria A. Bucci
Mayor Michael Napolitano
Ernie Carlucci, Director of Administration
Charles Garganese, Jr., Assistant City Solicitor
Corsino Delgado, Director of Finance
Steve Woerner, 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:

City Clerk indicated that Mr. Sylvia has requested that the minutes from the last meeting be amended as follows:

Under Old Business: Traffic Engineer's Report on Proposed Traffic Study for Edgewood:

Mr. Sylvia stated **"that the RFP will be advertised this week, with bids to be received in December, 2008 by the BOCAP"**

On motion by Councilman Lupino, seconded by Councilman Santamaria, it was voted to amend the minutes of the last meeting as stated by the City Clerk. Motion passed unanimously.

CORRESPONDENCE:

OLD BUSINESS:

PUBLIC HEARING/NEW BUSINESS

Real Estate/Tangible Tax Abatements

No appeared to speak.

On motion by Councilman Barone, seconded by Councilman Lupino, it was voted to recommend approval of the above list of Real Estate Tax Abatements. Motion passed unanimously.

Motor Vehicle Tax Abatements

No appeared to speak.

On motion by Council Vice-President McFarland, seconded by Councilman Barone, it was voted to recommend approval of the above list of Real Estate Tax Abatements. Motion passed unanimously.

Tax Assessment Board of Review Decisions due to Taxes Assessed December 31, 2007.

No action.

Notification pursuant to Ordinance 3.12.080 from City Treasurer of Waiver of Interest (For Information Only)

No action.

Tax Interest Waiver Denials

On motion by Council Vice-President McFarland, seconded by Councilman Lupino, it was voted to recommend approval of the above list of Tax Interest Waiver. Motion passed unanimously.

Tax Interest Waiver Approvals

On motion by Council Vice-President McFarland, seconded by Councilman Santamaria, it was voted to recommend approval of the above list of Tax Interest Waiver Approvals as recommended by the City Treasurer. Motion passed unanimously.

Tax Interest Waiver request of Vincent Masi – no recommendation from City Treasurer

Vincent Masi appeared to speak.

On motion by Councilman Santamaria, seconded by Councilman Lupino, it was voted to recommend denial the above Tax Interest Waiver request. Motion passed unanimously.

11-08-2 Ordinance ratifying the LIUNA, (Laborer's International Union of North America) Local Union 1322 Contract for the term July 1, 2008 through June 30, 2011.

Tom Ricci, 75 Knight St., appeared to speak and stated that this Administration, on its way out, should have a right to negotiate a contract that we have to live with until 2011. That should be left to the incoming Administration and incoming Council.

Mayor-Elect Allan Fung appeared to speak and stated that he agrees with Mr. Ricci's remarks. He stated that we are coming to some challenging fiscal times and he would like to have the ability to negotiate all pending contracts. Right now, we are looking at significant cuts from the State. Until we know the fiscal impacts as a City, on a long-term basis, we should not be entering into any contracts without knowing the impacts financially. Many of the other bargaining units are going to be looking at what is being given in this contract as a basis. He questioned, under the Salary line item, if total cost is factored into each employee's grade and steps. He also indicated that missing from the projection is the increase numbers for the overtime for extra hours for the winter. A concern he has is in Article 2, changing provision and adding in words "Monday through Friday" and deleting management rights. This would be tying the hands of management in any type of flexibility in working hours.

Arthur Jordan, 35 Lincoln Park Ave., appeared to represent the Laborer's Union and stated that the fiscal situation in the country is felt also by his members, the City's employees. This Union has always stepped up. In 1995, they started to co-pay on their healthcare. They have asked for a minimal raise in this contract. The members are aware that this is a tough decision. This Union has always been a good partner, he asked the Council to be a good partner to the Union.

Councilman Lupino stated that this Union has been negotiating for a year. This contract was up on June 30th. This is not something that is being rushed at the last minute.

Councilman Lanni stated that the average salary for this group is \$36,000. This is not going to break the bank for the City of Cranston and he will vote to support this contract.

Council Vice-President McFarland indicated that not only have the Laborer's have stepped up to the plate, but also the Teamsters. She is disappointed that the Engineering Department was dissolved and the voters of the City passed a \$17 million bond referenda to improve the infrastructure of our City and to go out and privatize this, the voters will be spending a lot more money than if they had kept that department. She hopes that other unions on both the City and School side will have the opportunity to make the same provisions and minor increases and have a contract presented to the Council.

Councilman Navarro stated that he has reviewed this contract and is in favor of it. This Union has given back the most that he has seen so far. The cost over the three years is only approximately \$300,000. He has seen litigation costs much higher on frivolous issues. He was not on the Council at the time, but it was brought to his attention that the Teamsters also stepped up to the plate back in 1995 with the co-pays of healthcare.

Councilman Lanni stated that this contract should be the stamp that all unions of the City should step forward and do the same not only on the City side but also on the School side. This Union is not being greedy and is only trying to be fair and we should be fair.

Council President Garabedian stated that with the economic times, he foresees a potential for layoffs. The average employee in this Union earns approximately \$36,000. Employees hired prior to 1995 receive longevity and pay 12% of their healthcare. Employees hired after 1995 do not receive longevity and pay 20% of their healthcare. He would like to see employees hired prior 1995 contribute 4% the second year and 4% the third year of the contract, which would bring them up to the 20%, similar to the rest of the union members.

On motion by Councilman Barone, seconded by Councilman Santamaria, it was voted to recommend to the full City Council approval of this Ordinance.

Under Discussion:

Mayor Napolitano asked Arthur Jordan if it is true that he negotiated the contracts with East Greenwich, Cumberland and Westerly. Mr. Jordan stated that he did negotiate those municipalities' contracts, and also Foster, among others. Mayor Napolitano stated that he compared raises given in the contracts in those cities and towns, when negotiating the Laborer's contract.

Roll call was taken on motion to recommend approval and motion passed on a vote of 5-1. The following being recorded as voting "aye": Councilmen Livingston, Lupino, Navarro, Barone and Council Vice-President McFarland -5. The following being recorded as voting "nay": Council President Garabedian -1.

Tax Incentive Application for Cadence Science, Inc., 2088 Plainfield Pike.

No one appeared to speak in favor or to oppose.

On motion by Councilman Barone, seconded by Councilman Lupino, it was voted to recommend approval of the above Tax Incentive Application. Motion passed unanimously.

***10-08-6 Ordinance in amendment of Chapter 3 of the Code of the City of Cranston, 2005, entitled "Revenue and Finance" (Commercial Tax Incentive Five Year).**

No one appeared to speak in favor or to oppose.

Chair indicated that this Ordinance and the following three Ordinances have been amended.

On motion by Councilman Barone, seconded by Councilman Lupino, it was voted to recommend approval of the above Ordinance as amended. Motion passed unanimously.

***10-08-7 Ordinance in amendment of Chapter 3 of the Code of the City of Cranston, 2005, entitled “Revenue and Finance” (Commercial Tax Incentive Ten Year).**

No one appeared to speak in favor or to oppose.

On motion by Councilman Barone, seconded by Councilman Lupino, it was voted to recommend approval of the above Ordinance as amended. Motion passed unanimously.

***10-08-8 Ordinance in amendment of Chapter 3 of the Code of the City of Cranston, 2005, entitled “Revenue and Finance” (Industrial Tax Incentive Five Year).**

No one appeared to speak in favor or to oppose.

On motion by Councilman Barone, seconded by Councilman Lupino, it was voted to recommend approval of the above Ordinance as amended. Motion passed unanimously.

***10-08-9 Ordinance in amendment of Chapter 3 of the Code of the City of Cranston, 2005, entitled “Revenue and Finance” (Industrial Tax Incentive Ten Year).**

No one appeared to speak in favor or to oppose.

On motion by Councilman Barone, seconded by Councilman Lupino, it was voted to recommend approval of the above Ordinance as amended. Motion passed unanimously.

The meeting adjourned at 8:45 P.M.

Respectfully submitted,

Rosalba Zanni
Assistant City Clerk/Clerk of Committee