

## **FINANCE COMMITTEE**

Regular meeting of the Finance Committee was held on Thursday, March 11, 2010 in the Council Chambers, City Hall, Cranston, Rhode Island.

### **CALL MEETING TO ORDER:**

The meeting was called to order at 6:35 P.M. by the Chair.

Present: Councilman Emilio L. Navarro, Chair  
Councilman Mario Aceto, Vice-Chair  
Councilman Anthony J. Lupino  
Council Vice-President Terence Livingston  
Council President John E. Lanni, Jr.

Absent: Councilman Paul Archetto

Also Present: Councilman Richard D. Santamaria, Jr.  
Robin Muksian-Schutt, Director of Administration  
Evan Kirshenbaum, Assistant City Solicitor  
Robert Strom, Director of Finance  
Salvatore Saccoccio, City Assessor  
David Capuano, City Treasurer  
Rosalba Zanni, Assistant City Clerk/Clerk of Committees  
Meredith Mahoney, Stenographer

### **MINUTES OF THE LAST MEETING:**

On motion by Councilman Aceto, seconded by Council President Lanni, 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:**

#### **Ice Rink Financials update**

**Mr. Strom** stated that the City has received copies of the February financial statements showing figures from July, 2009 through February, 2010. This statement is very positive. If we can end this year on a positive note, next year is going to be more positive note. He provided copies of the financial statements from the ice rink management company.

**Chair** indicated to page two of the handout and indicated to other income – City of Cranston money in \$50,000 and asked if this shouldn't show as a loan. Mr. Strom stated that on their set of books, we show it as a receivable. This is their set of books.

**Chair** suggested to Mr. Strom to explain this to the management company and ask them to show it as a loan on their books.

**Council President Lanni** asked if this is an interest free loan. Mr. Strom stated that we do not attach interest free, based on the contract. Council President Lanni questioned why not give them a certain amount of money in a month instead of \$50,000 all at once. Ms. Schutt stated that she believes that this was done because at the beginning, getting the rink started up and running, they were having a lot of financial problems, but going forward this could be considered.

**Councilman Lupino** asked that this information be provided in the future:

- How maintenance of the septic system is being accomplished and does it fall under maintenance and service of other.
- Has anyone looked at a retrofit or energy efficient lighting because having a building that is not heated, electricity is very high.

**Mr. Strom** stated that we will see a significant saving in energy costs next year.

**Councilman Aceto** asked what the status is of the money that the former management company owes the City and have we pursued this. Mr. Strom stated that he and Solicitor Cipriano are working on this. It may come to a lawsuit.

**1-10-03 Ordinance in amendment of Title 3.08 of the Code of the City of Cranston, 2005, entitled “Contracts and Purchases” (Diesel Emission Reduction). (Cont. 2/11/2010).**

On motion by Councilman Lupino, seconded by Council Vice-President Livingston, it was voted to recommend approval of this Ordinance.

Under Discussion:

**Council Vice-President Livingston** suggested that the Administration bring forth issues, if any, they have with the Ordinance and have Clean Water Action representatives address what can be done to address the Administration’s issues.

**Ms. Schutt** stated that the Administration has spoken to several departments that would be impacted by this Ordinance. Conceptually, the Administration is onboard with this Ordinance. Fire fleet retrofitting would be extremely expensive. She stated that Gerard Scotti of Vehicle Maintenance also had concerns in that retrofitting of the fleets would cause damage to the vehicles. The Purchasing Agent also had a concern with this Ordinance. It would impact who the City hires as contractors. It would limit the people who can be hired to do the retrofitting.

**Council Vice-President Livingston** stated that his understanding is that Clean Water has offered to apply for grants to help pay to retrofit these vehicles. He asked if the Administration would go along with this if it does not cost the City any money and if we add in the Ordinance language stated that it would not cost the City any money. Ms. Schutt stated, not with the support of the people who work on the equipment.

**Council Vice-President Livingston** asked if Gerard Scotti or whoever will be working on the retrofitting, could attend the next meeting to explain the damage the retrofitting may cause.

**Nicole Poepping** of Clean Water Action, appeared to speak and presented handouts. She stated that Clean Water Action is more than willing to work on obtaining grants for the City of Cranston.

**Councilman Aceto** stated that rather than rush this, he recommended waiting one more month so the Administration's concerns can be addressed and we can speak to the maintenance person regarding this.

**Ms. Schutt** stated that she can meet with Mr. Scotti and discuss this Ordinance with him, since he has the expertise and he would be retrofitting the vehicles and she can report back at the next month's meeting. Council Vice-President Livingston stated that he would like Mr. Scotti to appear before this Committee at the next meeting rather than Ms. Schutt speaking to him because the Committee may have questions for him.

**Council Vice-President Livingston** withdrew his second to the motion to approve this Ordinance.

On motion by Council Vice-President Livingston, seconded by Council President Lanni it was voted to continue this Ordinance to next month's meeting.

**Chair** indicated that he has numerous amendments to this Ordinance.

**Councilman Aceto** questioned under Robert's Rules, if amendments can be made and voted on, since this Ordinance is just continued. Solicitor suggested that the Chair submit the amendments incorporating them and submit it as a new Ordinance at the next Council meeting.

**Council Vice-President Livingston** stated that he will re-introduce a new Ordinance with the amendments from the Chair for the next Council meeting.

No action taken on this Ordinance.

## **PUBLIC HEARING/NEW BUSINESS**

- **Real Estate Tax Abatements**

On motion by Councilman Lupino, seconded by Council Vice-President Livingston, it was voted to recommend approval of this list of Abatements. Motion passed unanimously.

- **Motor Vehicle Tax Abatements**

On motion by Councilman Aceto, seconded by Council Vice-President Livingston, it was voted to recommend approval of this list of Abatements. Motion passed unanimously.

- **Tax Interest Waivers**

On motion by Councilman Aceto, seconded by Council Vice-President Livingston, it was voted to recommend approval of the list of approved Tax Interest Waivers as recommended by City Treasurer. Motion passed unanimously.

On motion by Councilman Aceto, seconded by Council Vice-President Livingston, it was voted to recommend approval of the list of denied Tax Interest Waivers as recommended by City Treasurer. Motion passed unanimously.

### **Administration reports**

#### **“NRCS easement project” financial breakdown (Chairman Navarro)**

**Chair** asked if there is going to be a set line item in the budget for this. Ms. Schutt stated, yes. Cash to the City is approximately \$130,000 for Fay Field, \$95,000 for CLCF and \$109,000 for Blackamore Pond area. The Administration has been working with Solicitor Cipriano and agree to put forward a Resolution and have Council support for the conveyance of these easements. This Resolution will be put forward at the next City Council meeting. The Mayor is committed to using some of these funds for the Fletcher Ave. area and Senator Reed is working on getting funding.

**Councilman Lupino** asked if these funds should be placed in an Enterprise Fund so it is earmarked for floodplain issues. Mr. Strom stated that it is not a money maker. It should be placed in a restricted fund for these projects.

**Veolia Invoice: explanation of charges and debt service (Councilman Aceto)**

**Solicitor Kirshenbaum** stated that one month bill is as large as a ream of paper. The bill is going to need some time to go through and it needs an expert in the field to tell the Council where this money is going. He is hopeful that there will be positive results from this bill.

**Councilman Aceto** asked Solicitor Kirshenbaum that if he finds significant highlights or lowlights, he keep the Council informed even if we need to have Executive Session.

**Outside Contractors Doing City Landscaping (Councilman Aceto).**

**Ms. Schutt** stated that Anthony Liberatore, Parks and Recreation Director, has looked at Shalvey contract and we are not planning to renew their contract and he will review the fertilization contract. We have had the Library ask if the City would be willing to take over snow plowing and cutting grass at the libraries. We believe we can take this on, but with the Library's understanding that it would be a reduction in their allocation.

**Councilman Aceto** asked if there is information available of how many properties the City has gone out and cut lawn or done any other kind of minimum housing maintenance since last Summer. Ms. Schutt stated that she will find out from Building Maintenance and provide this information at next month's meeting.

**2-10-1 Ordinance authorizing the City to utilize Western Cranston Water Impact Fees for the design and construction of a Salt Barn.**

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

Under Discussion:

**Councilman Lupino** questioned why the use of Water Impact Fees and why are we taking surplus money when there is bond money for this purpose. Ms. Schutt stated that as to why Water Impact Fees, this is money that has been left behind from Providence Water.

**Councilman Lupino** asked if the City will have a document from Providence Water stating that if there are any major implications or problems, they are going to address it. Ms. Schutt stated that she does not think Impact Fees can be used to repair a line. Councilman Lupino asked if there is an Eastern Cranston Impact Fees Account. Mr. Strom stated, no there is not.

**Councilman Aceto** suggested that when placing our RFP, include the amount.

On motion by Councilman Lupino, seconded by Councilman Aceto, it was voted to amend line 24 of the Ordinance to read: “up to \$200,000”. Motion passed unanimously.

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

**2-10-2 Ordinance amending Title 3, Chapter 24.020 “Real Property Tax Freeze for Elderly” (Elderly and Disabled Qualifications).**

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

Under Discussion:

**Council Vice-President Livingston** asked how this Ordinance is communicated to the eligible taxpayers. Mr. Saccoccio stated that the City has mailed notices to the people advising them of this.

Motion to recommend approval passed unanimously.

**2-10-3 Ordinance amending Title 3, Chapter 24.080 “Real Property Tax Freeze for Elderly” (Elderly and Disabled Income Qualifications).**

On motion by Councilman Lupino, seconded by Councilman Aceto, it was voted to recommend approval of this Ordinance. Motion passed unanimously.

The meeting adjourned at 8:00 P.M.

Respectfully submitted.,

Rosalba Zanni  
Assistant City Clerk/Clerk of Committees