

**MINUTES OF SMITHFIELD TOWN COUNCIL MEETING  
TOWN HALL FORUM**

**Date: Saturday, March 24, 2018**

**Place: Smithfield Senior Center**

**Time: 9:00 A.M.**

Present: Town Council President Paul M. Santucci  
Town Council Vice-President Alberto J. LaGreca, Jr.  
Town Council Member Maxine A. Cavanagh  
Town Council Member Suzanna L. Alba  
Town Council Member T. Michael Lawton  
Town Solicitor Patricia A. Buckley, Esq.  
Town Manager Randy R. Rossi  
Town Clerk Carol A. Aquilante

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**Council President Santucci calls the Saturday, March 24, 2018 Smithfield Town Council meeting to order at 9:00 a.m.**

**II. Town Council President Santucci offers a prayer.**

**III. Town Council President Santucci conducts a salute to the flag.**

**IV. The Emergency Evacuation and Health Announcement is made by Town Manager Randy Rossi.**

**V. New Business:**

**Open round table discussion between members of the Town Council, residents and business owners concerning matters of mutual interest including:**

Council President Santucci explains that this morning Robert Seltzer, Fire Chief, Dr. Judith Paolucci School Superintendent and members of the Financial Review Commission are present to answer any questions anyone in the audience may have regarding the future potential bonds, Senior Tax Freeze and the Fiscal Year 2019 Budget. Council President Santucci thanks everyone for attending this morning and asks that everyone speak once and be respectful of others that wish to be heard. Council President Santucci also explains that other issues addressed this morning will not be discussed, however, they will be addressed at a future time.

- **Senior Tax Freeze:**

Town Manager Rossi states that at this time there is no specific plan in place for the future of the senior tax freeze. Town Manager Rossi explains to the audience this morning that there is a chart in the front of the room explaining the financial impact to the Town is \$1.2 million dollars in re-appropriating tax revenue from other sources. Town Manager Rossi further explains that the purpose of the Town Hall Forum this morning is to take ideas and suggestions in order to continue to offer a tax freeze and an amount that is within a taxpayer's budget.

Paul Aiello, Town resident, states that Council President Santucci made a statement referring to the senior tax freeze as being a burden to the Town. Mr. Aiello states that he has paid taxes in

Town for more than thirty (30) years, and he does not resent seniors over the age of sixty-five (65) from getting a tax freeze. Mr. Aiello feels that this issue should be debated by the Charter Review Commission and be placed on the ballot for the voters to decide. Mr. Aiello explains that when seniors sell their property and downsize, it would be an increased cost to the Town should a young family purchase that home with children in the school system. Mr. Aiello further explains that seniors should not be forced to sell their homes due to unaffordability. Mr. Aiello states that many seniors live on modest incomes, which are fixed, and many seniors approaching the tax freeze are planning for their retirement, when their income is fixed. Mr. Aiello states that seniors are not automatically put on a tax freeze unless applied for and eligibility. Mr. Aiello further states Council President Santucci and Town Manager Rossi are pushing for the elimination of the changes in the senior tax freeze law, and he encourages the seniors in Town to fight for any changes to the tax freeze.

Council President Santucci explains that his statement in the State of the Town address was as follows; “the current trajectory over the next ten (10) years would create a bigger burden to younger and middle aged families”.

Michael Iannotti, Financial Review Commission Chair, explains that the Town Council asked the Financial Review Commission to review the Senior Tax Freeze and the effect it would have on the Town over the next ten (10) years. Chair Iannotti states that the trends were not good, because the senior tax freeze applies to 25% in the taxpayers of the Town, with the amount of seniors increasing each year. Chair Iannotti further explains that the increase in property owners added to the senior tax freeze is higher than the transfer of properties, with a cost to the Town of \$1.4 million dollars. Chair Iannotti states that that in ten (10) years the cost to the Town would be \$6 million dollars a year in revenue shortfall. Chair Iannotti also states the cost to the unfrozen taxpayer would be \$281.00 per year and seniors do not pay for any approved bond issues of the voters of the Town.

The following is a list of possible solutions to the Senior Tax Freeze by Chair Iannotti.

- Eliminate the tax freeze - not feasible for older taxpayers.
- Present tax freeze benefit – perhaps pay future tax increases moving forward to new seniors that are eligible for the Senior Tax Freeze. - \$8,000 exemption will stay in place.
- Increasing the \$8,000 exemption.
- End tax freeze moving forward.

Council President Santucci asks Chair Iannotti for an example, if the tax freeze was removed.

Chair Iannotti explains that they could keep the benefits in place with tax increases moving forward due to the increase in assessed values or approved bond issues.

Council President Santucci explains that the Town is looking for multiple solutions to this issue this morning during the Town Hall Forum.

Council member Alba asks about shared bonding costs.

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Chair Iannotti replies that seniors on the current tax freeze would stay the same, however, new seniors on the tax freeze would pay for future bond issues.

John Leonard, Town resident, asks if one of the proposed tax freeze plans refers to the assessed values of property or current assessed value of property.

Town Manager Rossi replies that there would be an individual exemption to get them to the same tax dollar value amount.

Thomas Barry, Town resident asks that if the Town is looking for equity, why are they not looking at the whole tax structure and charge per pupil enrolled in the School system, not always falling back onto the seniors. Mr. Barry asks how the discussion of the senior tax freeze came about. Mr. Barry asks if the discussion of the tax freeze is a result of the Citizens Bank complex in Johnston instead of Smithfield.

Council President Santucci replies that currently the main issue is that the non-frozen taxpayer pays an estimated increase of \$281.00 per year in taxes and the non-frozen taxpayer will be subsidizing the senior frozen taxpayer.

Mr. Barry states that the senior taxpayer has already been subsidizing the non-frozen taxpayers for many years prior to this discussion.

Council President Santucci explains that the Town is trying to find a solutions to both the frozen taxpayers and non-frozen taxpayers.

Barbara Rich, Town resident, explains that both her and her husband benefit from the senior tax freeze. Ms. Rich explains that she did some research and found that the average income in Smithfield is approximately \$70,000, which means that there are many of residents about and below that income. Ms. Rich further explains that according to national statistics 66 million people collect Social Security and 33% collect some sort of pension. Ms. Rich also explains that 90% of people are on Social Security benefits alone. Ms. Rich asks that the Town take into consideration when raising the taxes of the senior citizens that increases to Social Security are increased very slowly, especially with the increase in utility bills.

Henry Cipriano, Town resident, asks if the Town Council controls the credit or exemption and how long does the credit or exemption last.

Town Manager Rossi explains that the Ordinance can be amended at any time.

Joseph O'Connor, Town resident, agrees with Ms. Rich and is personally tired of the constant assault on the senior citizens in Town. Mr. O'Connor explains that many of the seniors in the audience today have volunteered and given their service to the Town in one form or another for many years and have helped build this community to what is today and are still paying their fair share. Mr. O'Connor feels that each Town Council member should reach an opinion regarding

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this matter immediately. Mr. O'Connor explains that Council President Santucci's prayer this morning included the Veterans and many Veterans are currently on the senior tax freeze which is an insult to them. Mr. O'Connor states that there was also talk about grandfathering in current frozen taxpayers, however, how can the Town determine which group is more deserving than the other, when will it start and stop. Mr. O'Connor feels that it is a cruel and selfish desire of the current Town Council members, because seniors are on fixed incomes and they truly cannot afford an increase and he feels it is shameful for the Town to consider a change to the senior tax freeze.

Alfred Costantino, Town resident, states that the Town should be looking at the existing tax structure, because residents between the ages of 62-65 are planning for retirement. Mr. Costantino explains many of the current seniors were the youth of the Town in the past and have paid their dues over the years. Mr. Costantino refers to the taxes paid by the Hampton Inn & Suites (\$114,000 taxes) and the future development of the Northwest Quadrant (Rte. 7 & 116), which would result in increased revenue to the Town and alleviate some of the tax burden to the Town.

Charlene Harrington, Town resident explains that 50% of every payment of taxes goes to the school system; it does not go to services for the seniors. Ms. Harrington asks if there is a projector of the school system comparing it to other cities and town. Ms. Harrington further explains that many of the seniors are on fixed incomes and some live at the poverty level and we should pay attention to that issue and not ask them to pay more money.

Michael Silvia, Town resident, states that the chart is a bit scary for the elderly. Mr. Silvia explains that he is a member of the Boy Scouts and they have made food baskets over the years during the holidays for the seniors and by raising their taxes it will force them out of their homes and bring more of a burden to the Town. Mr. Silvia further states that he appreciates the elder residents in attendance this morning.

Donald Brown, Town resident explains that he has lived in Smithfield his entire life and has given continuous service to the Town since he was sixteen (16) years old. Mr. Brown further explains that he has helped many elderly residents in Town and if the Town raises their taxes it will force them out of their homes. Mr. Brown states that the current seniors have paid for many services in Town such as; schools (new and renovated), sewers, etc. Mr. Brown further states that the non-frozen taxpayers don't have to pay for the Sewer Plant, because the seniors already paid for them.

Jackson Despres, Town resident states that the new bonds issues will cost an estimated \$281.00 to non-frozen taxpayers, but many services in Town were paid for in the past that the Town is benefitting from now. Mr. Despres further states that the senior tax freeze is only a drop in the bucket regarding the Town Budget. Mr. Despres also states that the Town has made many mistakes over the years regarding more commercial and industrial growth in the Town, especially with the Citizens Bank complex being built in the Town of Johnston. Mr. Despres feels that if additional commercial and industrial businesses were brought into Smithfield it would be an increase to the tax base, without having to infringe on the seniors. Mr. Despres

explains that many buildings in Town are obsolete and should have been taken care of many years ago. Mr. Despres also states that the Town of Smithfield lost the Citizens Bank Complex, which would have been increased revenue to the Town as well as a complex for the community to enjoy.

Dennis Sullivan, Town resident, agrees with most of the people in attendance this morning and he, himself, is planning for his retirement and will be losing an income of \$100,000 per year. Mr. Sullivan states that he is not attacking the School Department, because his grandson is in the school system and has been doing quite well. Mr. Sullivan does agree that more businesses should be brought into Town to lessen the tax burden to the Town.

Miraslow Kula, Town resident, explains that the non-frozen taxpayers cannot look forward to living in the Town because of the increase in their taxes. Mr. Kula feels that the younger taxpayers in Smithfield suffer with the equity in Town, just as much as the seniors. Mr. Kula further states that if changes are not made, the Town of Smithfield will be unsustainable.

Steve Tocco, Town resident, states that the seniors have paid for many services to the Town in the past and have paid their dues. Mr. Tocco feels that the Town should be working together as a team with the seniors. Mr. Tocco feels that the Town made a commitment to the seniors and should think of their futures. Mr. Tocco states that if the Northwest Quadrant is built up it would lessen the burden on the taxpayers.

- **Potential bonding for Elementary Reconfiguration project:**

Dr. Judith Paolucci, Smithfield School Superintendent, is present and explains that she looks forward to working with the Town to respect the children and seniors of the Town. Superintendent Paolucci explains that the School Department is working to keep the costs as low as possible, which includes the State appropriation. Superintendent Paolucci further explains that the Elementary Reconfiguration Committee reviewed many options that would be balanced and fair in order to get a greater reimbursement from the State. Superintendent Paolucci reviews the condition of the current buildings sighting the following facility index prepared by the Jacobs Report after inspection of the schools.

- McCabe Elementary School – 89.7%
- Old County Road Elementary School – 64.3%
- LaPerche Elementary School – 56.9%

The Jacobs Report, commissioned by the State, additionally provides estimates of the cost of these deficiencies and is available online.

Superintendent Paolucci explains that the estimated costs of current deficiencies is \$42 million dollars with an additional cost of deficiencies over the next five (5) years of \$13 million dollars. Superintendent Paolucci further explains that the amount for Capital School Projects each year would be \$280,000. Superintendent Paolucci states that the value of our school facilities of \$142 million dollars and we need to protect our investment. Superintendent Paolucci explains that

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Smithfield's minimum reimbursement from the State is 35% and the State is requiring districts to show that they are addressing priority 1 and 2 projects throughout the district and are ensuring equity, we cannot do part of this project vs the whole project.

Superintendent Paolucci explains that it would be to close William Windsor School and expand Anna McCabe Elementary School, with an overall cost of \$42 million dollars and a possible 55% reimbursement from the State of Rhode Island through additional incentives. Superintendent Paolucci further explains that the Middle School and High School will need repairs in the future that will have to be funded from a Capital Expenditures account.

*\*See supporting documentation attached.*

Paul Aiello, Town resident, states that the School Reconfiguration Bond would result in a sizeable tax increase to the Town for years to come. Mr. Aiello further states that the Town of Smithfield is currently in debt for \$24 million dollars as. Mr. Aiello explains that outstanding debt (bonds) hurt the Town's financial stability and the Town Council is not obligated to vote for this bond issue. Mr. Aiello states that if this bond is allowed we will never be able to pay it down for years to come. Mr. Aiello further states that our tax bills will increase by 20% to 30%. Mr. Aiello also states that the School Committee should approach school renovations and most home owners approach for their own home. Mr. Aiello explains that a priority list is complete and funds are set aside for repairs yearly, or when the borrowing cost is paid down. Mr. Aiello further states that the Town of Smithfield lost \$500,000 by not allowing Citizens Bank to come into Smithfield.

Council Vice-President LaGreca states that the proposed Tax Treaty was for \$250,000 per year, not \$500,000.

Alfred Costantino, Town resident, thanks Superintendent Paolucci regarding the closing of William Windsor School, because he did bring up the issue in the past and it was a very emotional issue. Mr. Costantino suggests that instead of one bond issue for \$45 million dollars, the Town Council should approve two (2) separate Bond Issues for the School renovations and expansion, in case the one bond issue does not pass by the voters at the November election. Mr. Costantino asks Superintendent Paolucci what will happen if the bond is not passed by the voters. Mr. Costantino gives his opinion of the debt service in the Town, regarding residential versus commercial industrial.

Christopher Bilotti, Town resident, states that instead of giving a Tax Treaty to Citizens Bank, the Town should have given a discount to the seniors for their tax freeze. Mr. Bilotti further states that he has young children in the school system and is favor of a bond issue for the School renovations and reconfiguration.

Superintendent Paolucci explains that she is an advocate to establish a Capital Fund for future school improvements, however, the school repairs now are extensive and need immediate attention. Superintendent Paolucci believes that the schools and Esmond and Greenville should receive equal attention. Superintendent Paolucci explains that a referendum question can be

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placed any the ballot anyway if the Town Council sees fit to approve, as long at the Department of Education reimburses the Town of at least up to 40%.

Town Manager Rossi states that the referendum question language can reflect up to \$45 million dollars and if the Town receives the maximum amount of reimbursements from the State; the Town can opt to use the pay as you go funds.

Mr. Bilotti asks about the construction costs of the schools and if they will be factored into the bond.

Superintendent Paolucci states that the School Department does not have the estimated construction costs at this time due to the cost of an architect. Superintendent Paolucci further states that if the bond is approved then the School Committee can hire an architect to get an exact cost for construction.

Mr. Bilotti is not comfortable voting on a bond if there is no estimated cost of the renovations.

Superintendent Paolucci replies that are cost estimators that work with the architect when the time comes, because it is a sizeable cost to hire an architect before the bond is voted on. Superintendent Paolucci welcomes anyone to the School Department to review the cost estimators she has as part of the Stage 2 application to the R. I. Department of Education.

Council President Santucci asks that he would like to move the meeting along because the possible Fire Station Bond needs to be addressed and asks if we do not belabor the Citizens Bank issue anymore.

Rose-Marie Rathier Cipriano explains that she is a lifelong resident and graduated from the Junior High School because at the time, Smithfield had no high school. Ms. Cipriano further explains that she has been an educator for forty (40) years and every child in the school system should be treated fair and equitable. Ms. Cipriano feels that the current building repairs and renovations are not equitable to the Town.

Sean Cough, School Committee Chair, states that the financial impacts are a legitimate concern to the Town, however, Smithfield is considered an outstanding public school system. Chair Clough gives an example of Old County Road Elementary School not having ADA compliant facilities to accommodate children with wheelchairs. Chair Clough also refers William Windsor School Elementary School having fire variances, because the school is not up to Fire Code. Chair Clough does not believe that two (2) bond questions would benefit the school system by dividing the Town, because Smithfield is one (1) Town, not two sections of Town.

Council President Santucci asks about the additional renovations to the Middle School and High School.

Superintendent Paolucci states that explains that with the Stage 2 application, there is a five (5) year plan to renovate the Middle School and High School, which is an extensive list.

Superintendent Paolucci further states that it is her responsibility to work on the Health and Safety issues first and then work on requesting Capital appropriations each year to be set aside for the larger repair projects. Superintendent Paolucci explains that she will be contacting Town Manager Rossi to discuss the establishment of a Capital Expenditure account to use for school repairs each year. Superintendent Paolucci states that the School Committee will not be asking for another bond for repairs to the Middle School and High School.

Rema Tomka, Town resident, is in favor the two (2) separate bond issues and the closing of William Windsor Elementary School. Ms. Tomka discusses with Superintendent Paolucci, various items that have been removed from the Reconfiguration Plan, such as the Universal Pre-K program. Superintendent Paolucci replies that the Universal Pre-K program has been removed from the plan.

Council member Alba is not in favor of two (2) bond questions, in the event that the Windsor School bond question does not pass, because that is an important project.

Superintendent Paolucci states that the Stage 2 application is granted on one project only, not a split project.

James Ignasher, Town resident, states that the Windsor School project would cost \$23 million dollars, however, how much would it cost just to fix Windsor School.

Superintendent Paolucci replies that the cost would be approximately 92% of what the building is worth.

Mr. Ignasher asks about the staff from the William Windsor School.

Superintendent Paolucci replies that no additional staff will be added and the existing positions would remain in place.

Mr. Ignasher asks if the School Department has spoken with any contractors as of yet.

Superintendent Paolucci replies that they have not spoken with any contractors as of yet, however, when the time comes she hopes to have competitive bids.

Thomas Robitaille, Town resident supports the school bond issue, because William Windsor School needs to be closed and the other schools need renovations as well. Mr. Robitaille also states that if the bond passes we need to recognize the tax increase.

- **Potential bonding for new Fire Station project:**

Robert Seltzer, Fire Chief reviews the Fire Department Study Implementation Task Force report describing the following:

- Task Force Members.

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- Purpose of the Task Force.
- Analysis of Fire Department Facilities and Operations – Kramer & Associates Group.
- Initial Accomplishments.
- Work over the Last ten (10) month.
- Supporting facts.
- Insurance Services Office (ISO)
- Task Force Recommendation to the Town Council.
- Smithfield Financial Review Commission Report.

Council Vice-President LaGreca thanks the Task Force for all the work they have done regarding this bond issue. Council Vice-President LaGreca explains that the Task Force was able to reduce the Bond Question from \$12 Million dollars to \$4.5 million dollars.

Donald Brown, Town resident, asks what type of station the new Fire Station will be.

Chief Seltzer replies that there will be a Ladder Truck (with pump and water), rescue, dual purpose room and living quarters, that can be expanded.

Mr. Brown asks about the rescue time for a ladder and rescue out of Log Road.

Chief Seltzer states that there will still be a rescue and reserve out of Log Road, as well as the headquarters.

Scott Robitaille, Town resident, asks if additional personnel needs to be hired.

Chief Seltzer replies that they would need an estimated additional five (5) people.

Mr. Robitaille asks how many personnel per vehicle.

Chief Seltzer replies that it would be two (2) people per vehicle.

Mr. Robitaille asks what the shift would be for personnel.

Chief Seltzer states that there would be four (4) platoons covering twenty-four (24) hours per day.

Bernice Butera, Town resident, asks if the Town will have to purchase any new trucks.

Chief Seltzer states that no new trucks would be needed.

Council member Cavanagh asks about a bond or a Public Private Partnership.

Town Manager Rossi explains that the bond question would still have to be on the ballot, however, the construction could be handled through the Public Private Partnership, who would

be in charge of the construction. Town Manager Rossi explains that the Public Private Partnership would have a construction manager, architectural drawings and a dollar value would be established to bid on, through the RFP and then lease it back to the Town over a ten (10) or (20) twenty year period and then the Town would own it.

Council member Cavanagh asks if the headquarter renovations would be funded with Capital Expenditures revenue.

Town Manager Rossi confirms that the headquarter renovations would be funded with Capital Expenditures revenue.

Council President Santucci states that the bond questions on the ballot do not include the interest costs, which will need to be calculated into the bond question.

Steven Tocco asks if the State could donate the parcel of land and congratulates the Committee for a job well done.

Chief Seltzer states that they are negotiating with the State now, for a reduced price, because of certain stipulations put in place by the State of Rhode Island. Chief Seltzer further states that due to State Regulations the Department of Transportation cannot donate land, but they can negotiate the price.

Mr. Tocco asks if they can do some in-kind service regarding land in Smithfield, for example a land swap.

Chief Seltzer states that the Town is currently in negotiations with the State of Rhode Island.

Mr. Brown asks where the proposed land is located.

Chief Seltzer replies that it is on the corner next to the Holiday Inn and across the street from Navigant Credit Union.

- **Fiscal year 2019 Budget; and any other issues raised by the public for informational discussion only a time permits.**

Town Manager Rossi explains that a Budget Work Session will be held in April and the Budget Hearing will be held on May 8, 2018 at the Smithfield High School. Town Manager Rossi also states that the Financial Town Meeting will be held on June 14, 2018 at the Smithfield High School.

Town Manager Rossi thanks everyone for attending the Town Hall Forum this morning.

#### **XIV. Adjournment.**

**Motion** is made by Council Vice-President LaGreca, seconded by Council member Alba,

to adjourn the meeting. **Motion is approved by a unanimous 5/0 vote.**

Meeting adjourns at 11:55 P.M.

*Caul A. Aquilante, OMC*

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Town Clerk