

New Shoreham Town Council Minutes
Town Hall, Old Town Road, Block Island
Wednesday, March 20, 2013
7:00 p.m.

Present: First Warden Kimberley H. Gaffett, Second Warden Kenneth C. Lacoste, Town Councilor Sean McGarry, Town Councilor Norris Pike, Town Councilor Christopher Warfel. Also present were Finance Director Amy Land and Town Manager Nancy O. Dodge.

First Warden First Warden Kimberley H. Gaffett called the meeting to order at 7:00 p.m.

Warden's Report Parking placards for the DEM lot in Galilee will be sold on Island April 25. The PUC will hold a public hearing on Interstate Navigation Company's rate case at 12:15 on April 4, 2012 at Town Hall. There will also be a hearing on the mainland April 23, 2013 at the PUC in Warwick. A rabies clinic will be held Monday, April 8 from 12:00 to 2:00 at the Police Station. The Lunch Bunchers and staff sent a thank you card to the Town Council after the Council members made lunch for the group earlier this month. Congratulations on a job well done for Deputy Clerk Millie McGinnes who received her Master Municipal Clerk designation from the International Institute of Municipal Clerks MMC. The CRMC will meet to review the Champlin's Realty Associates application for State Assent on Monday, April 1, 2013 in Providence. The First Warden reported the Ethics Commission has determined that she should have recused from voting for John Spier's appointment to the Planning Board because he is her brother-in-law, she will pay a \$500 fine.

Second Warden Kenneth Lacoste reported that dune fencing has been put up along the Scotch Beach road property line, not where the parties had agreed. The Town Manager will meet with the Road Superintendent, Building Official and the person who installed it. Several people suggested the surveyors stakes be replaced with granite monuments.

Public Input

Dick Martin reported cars are parking overnight by Ball-O'Brien Park. The NSPD Facebook page has not been changed since Fourth of July celebration.

1. Public Hearing

Consider amending New Shoreham's General Ordinances Chapter 8 Licenses and Business Regulations, Article VII Motor Vehicles for Hire, Section 164(b) "Application for license; qualifications of applicants" for changes to the taxi waiting list.

The First Warden called public hearing to order at 7:20. She read Attorney Erik Wallin's request to continue the public hearing. Mr. Wallin submitted the proposed amendment. The First Warden read an advisory from the Commission on Motor Vehicles for Hire in favor of the amendment. One public comment was taken from Edith Blane, who is on the waiting list. She said the change is very fair for a person with a spouse but not fair for people without a spouse. She observed it will slow down the list and she is opposed. Mr. McGarry asked for a legal review of the amendment.

Mr. Lacoste moved to continue the hearing to May 1, 2013 after the Attorney can review the amendment. Motion seconded by Mr. Pike.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

2. FY14 Budget

• receive proposed FY14 budget and budget overview by Town Manager & Finance Director
Finance Director Amy Land presented the budget and answered questions from the Council and audience. This year the property tax increase is 4%. It was noted the beach pavilion upgrade, Ocean Avenue pump station improvements and deer herd reduction costs are not in the budget.

• amend and announce FY14 Budget work session meetings

The next budget work session will be Tuesday, March 26 instead of Monday March 25
(subsequently moved to Wednesday, March 27)

First Warden Gaffett called a five minute recess. The Town Clerk left the meeting due to illness and minutes were taken by the Town Manager.

3. Receive and act on Block Island Housing Board letter re: renewed bonding authority
First Warden Gaffett moved to support the Housing Board's request for bonding authority of 1 million and put it on the Warrant for FTM. Councilor McGarry seconded.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

4. Discussion with DEM Assistant Director for Division of Fish & Wildlife, Catherine Sparks re:

- report on 2012/2013 general Block Island Deer Hunting season
- report on special 2013 deer hunt on Plat 12 lot 13 (Black Rock)
- preliminary discussion re: 2013/2014 deer hunting season
- experimental fish stocking
- DEM property management issues of mutual interest

Continued to April 17th

5. Division PUC Docket 4373 (Interstate Navigation Co. application to change rates)

- receive public comment
- review and act on authorization to submit direct testimony prepared by R. LaCapra

Richard LaCapra was present on speaker phone for this discussion. It was noticed that the agenda item was, among other things, to receive public comment but very few people were in the audience. Cliff McGinnes spoke about consideration for the freight rates as they affect everyone. Chris Blane asked why people who live here have to pay the landing fee every time. The Council again explained that they are not negotiating with Interstate, but that the Division and Interstate negotiated the proposed settlement. The Council reviewed the prepared testimony of the town's expert, R. LaCapra, which has to be submitted by Friday to the PUC. They asked Richard to change the language to indicate that the Town "reluctantly" was accepting the proposed 34% freight rate increase. There was discussion as to what would be the result of a freight study if one was done. There was discussion as to whether there should be more forceful language about future schedules. R. LaCapra again reiterated his advice that a sidebar is a better way to approach this since we have, in the testimony, tied the company's numbers to no change in the current schedule. He doesn't believe the Division or Commission would consider this an appropriate forum, and all agreed that the Council would have a meeting annually and agenda this issue of schedules.

The discussion then focused on the change in rate per ft. for large trucks. It is set in the agreement at \$6.10 ft. for vehicles over 7 ft. in height. The company had requested \$6.55 and the division reduced it to \$6.10. It was mentioned that there is a surcharge for trucks with a gross weight of 50,000 lbs. and over will pay a surcharge which he said was an increase.

Lengthy discussion ensued about the definition for a commuter card. Councilor McGarry insisted that the application cited the original Rule 100 and that Interstate was changing the provisions in the settlement agreement by putting in additional language. The Town Manager explained that the Town and Interstate made an agreement some five years ago as to the use of the town's definition of residence found in the town's ordinance and as to the points Councilor McGarry believed were a change, and that there was no change. Chris Blane from the audience spoke to the fact that he didn't believe people who didn't live here should get a commuter rate. The history of this rate was discussed, with Councilor McGarry maintaining that, in his view, "voters" should be entitled to a commuter rate. It was resolved that he could speak to this issue as his opinion at the April 4th meeting.

As to the proposal by the Town to expand the "flexibility" to 20% (10% after a year and then an additional 10%) Richard LaCapra explained the logic behind such a proposal again, as he did at the last meeting. He feels that provision will most likely preserve the commuter and freight levels (both exempt from the 10 or 20% increases) for two rate increase requests. Our built in protection is the cap, or rate of return, it gives Interstate an easy option to raise the non commuter car rates back up if they realize that 2012 was an anomaly as to car revenue. The Division will be reviewing any of these increases if they are sought and he has great faith in the Division's ability to crunch numbers.

Because the truck rates have a greater impact on cost of living than perhaps commuter rates or loose freight rates, since most commodities come by truck, should the Town allow a 10% increase that could be applied to truck rates, and then sign off on an additional potential 10% truck rate increase. It was decided that Richard's testimony would stress the impact of large truck rates on island existence and exempt large truck rates from the second 10% increase for that reason. It was felt that this would bring the issue to the attention of the Commission going forward also that freight was not just loose freight but necessities that come by large truck.

Councilor McGarry questioned Richard as to the amortization of the Nelseco sale over five years and the response was that regulatory assets are generally allowed over a period of 3 to 10 years and it supports earnings after the initial year or two so he didn't view it as a bad thing.

First Warden Gaffett moved to authorize the submittal of Richard LaCapra's testimony with the changes discussed: a) stress the town's reluctance in accepting the freight increase b) rewrite of the discussion as to the second 10% to include reference to truck rates being excluded and why. The Council agreed that they would schedule a meeting with the company in the fall to discuss schedules as they usually do. Second Warden Lacoste seconded the motion.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

At this point, Richard LaCapra signed off on speaker phone and said he would have the revisions in hand by Thursday noon and the Town Manager and First Warden Gaffett agreed to review and file.

6. Receive and act on recommendation from Motor Vehicles for Hire Commission regarding vacant taxi license

Moved by Second Warden Lacoste, seconded by Councilor Warfel to award the license to Peter Monje with the option of picking it up now or picking it up after May 15th when it would be ready for renewal in the new licensing year. Second Warden Lacoste asked and was assured that this provision has been used before so someone need not pay for a very short time and then have to repay for a new year starting May 15.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

7. Receive and act on Deer Tag reimbursement requests

Motion by First Warden Gaffett, seconded by Councilor Pike to authorize payment of \$850.00 out of contingency. There was discussion as to whether this should be a line item each year rather than out of contingency so it wouldn't need to come to the Council. All agreed.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Boards, Committees, and Commissions:

- act on Senior Advisory Committee appointment
- announce Board, Committee and Commission openings

Motion by Second Warden Lacoste, seconded by Councilor Pike to appoint Suzanne Wright to the Senior Advisory Committee to Betsey Theve's position.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

First Warden Gaffett noted there is an opening for one full term on sewer and water and two alternate positions there and an opening on Shellfish.

8. Minutes: March 4, 2013; March 6, 2013

Motion by First Warden Gaffett, seconded by Second Warden Lacoste to approve the minutes of March 4, 2013.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Motion by First Warden Gaffett, seconded by Second Warden Lacoste to approve the minutes of March 6th with the changes noted.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

9. Receive and act on negotiations with Police and Employee's unions (This item may be held in closed session pursuant to Rhode Island General Laws §42-46-5(a)(2) for sessions pertaining to collective bargaining)

At 10:30 motion by First Warden Gaffett, seconded by Second Warden Lacoste to go into closed session under RIGL §42-46-5(a)(2) for the discussion of contract negotiations.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

(discussion held in closed session)

At 10:45 motion to return to open session by First Warden Gaffett, seconded by Second Warden Lacoste.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

First Warden Gaffett moved to seal the minutes, seconded by Councilor Warfel.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

First Warden Gaffett noted no motions were made in closed session.

Motion to adjourn made by Second Warden Lacoste, seconded by Councilor Pike.

Ayes: 5 (Gaffett, Lacoste, McGarry, Pike, Warfel) Nays: 0

Minutes approved April 3, 2013