

TOWN COUNCIL SPECIAL MEETING - MONDAY EVENING - MAY 7, 2012

PRESENT: Marshall, Barboza, Teixeira, Herreshoff and Parella

ALSO PRESENT: Diane C. Mederos, Town Administrator
Julie Goucher, Town Treasurer

The Council met in special session on Monday evening, May 7, 2012 in the Town Hall, Conference Room, beginning at 7:07 o'clock PM, Council Chairman Marshall presiding:

1. Adoption of Town Budget 2012-2013

Barboza/Herreshoff - Voted unanimously to adopt the Town Budget for fiscal year 2012-2013 as follows: Schedule "A" Operating Budget (\$41,369,933), which includes funding for Capital Budget Schedule "B" (\$300,000) and the separate Water Pollution Control/Composting Enterprise Fund Schedule "C" (\$5,099,648).

Prior to the vote taken, Council Chairman Marshall noted that the Town of Warren does not intend to provide level funding to the Bristol Warren Regional School District since its population increased and it plans to contribute the same amount as last year. Council Chairman Marshall stated that this action was disappointing since the town does not appear to be in dire straits.

Council Chairman Marshall also observed that the Council went through the Town budget line by line prior to considering it for adoption.

Councilman Teixeira stated that he has two comments concerning the budget: The proposed merit increases for "select" employees and the use of fund balance to offset the sewer use fee.

Town Treasurer Goucher explained that the Enterprise Fund balance can afford a reduction without negatively impacting the general financial health of the Fund. She added that the remaining Fund balance is \$3 million.

Councilman Herreshoff asked to know how much is anticipated to be reallocated from the Fund balance with Town Treasurer Goucher responding \$380,000. She added that this is anticipated as a one-time need and a further appropriation is not projected.

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Council Chairman Marshall asked Councilman Teixeira if he knew the total amount of the merit increase with Councilman Teixeira stating that he did not know this total.

Council Chairman Marshall explained that the total is approximately \$1757 with Councilwoman Parella noting that the percentage increase for those receiving merit is a compromise.

Council Chairman Marshall stated that this issue was fully vetted during the budget sessions and also that the employees deserve to receive salary increases since they voluntarily took pay freezes in the past. He added that the employees have been asked to do more with less and have done so admirably; seeking out over \$6 million in grant funds and working with fewer employees.

Council Chairman Marshall stated that the \$15 million bond issue from 2006 was compounded through matching funds to over \$30 million due to the efforts of the department managers and that this, among other examples, is testament to the good service provided to the taxpayers.

Council Chairman Marshall added that these employees "were provided lemons and made lemonade."

Councilman Herreshoff stated that the departments have performed well and that he hopes that the efficiency will continue allowing the Town to "hold the line." Councilman Herreshoff added that despite the State's various financial problems, the Town did not have similar ones.

Councilman Barboza stated that the 3.5% merit increase was a good compromise and since the total difference is \$1700, he believes the Town received a "good bargain."

Councilman Herreshoff agreed that this increase was a "merit raise" with Council Chairman Marshall reminding the Council that it discussed the idea of merit raises to reward exceptional employees in the past.

Councilman Teixeira stated that he thinks that the department heads do a good job and added that he thinks that anything over 3% is "a little high."

***AMEND ITEM 2.** Economic Development Commission - request for additional funding in support of "Explore Bristol" program, **continued from May 2, 2012**

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Barboza/Teixeira - Voted unanimously to appropriate \$24,000 from fiscal year 2011-2012 revenues toward this initiative.

Prior to the vote taken, Council Chairman Marshall noted that Town Administrator Mederos and Town Treasurer Goucher were asked to examine the current year's budget to determine if funds were available to support this endeavor.

Council Chairman Marshall asked to know if Roger Williams University will be supporting this project with Michael Byrnes reporting that the University has committed \$15,000 to the project.

Mr. Byrnes renewed his request to the Town for \$30,000.

Council Chairman Marshall asked to know if the Convention and Visitors' Bureau was making a contribution with Stephan Brigidi stating that the Bureau plans to contribute \$1000. He added that the Bureau is "reinvesting" in Bristol with several initiatives including the "Arts Night" program.

Mr. Byrnes reported that the Convention and Visitors' Bureau provided \$1000 to the Town map and that this map is a "big improvement."

Councilman Barboza asked to know the budget for the Convention and Visitors' Bureau with Mr. Brigidi reporting that this budget is \$3 million "overall." He agreed to return to the Town Council with the amount allocated per Town. He added that most of the funds go to operations and also that Bristol ranks third in the list of towns served by the Bureau.

Councilman Herreshoff asked to know how many persons are employed by the Convention and Visitors' Bureau with Mr. Brigidi responding that there are 24 employees.

Councilman Barboza noted that \$30,000 is derived from Bristol sources and asked if the Town is getting its money's worth with Mr. Brigidi responding affirmatively. He added that this opinion appears to be in agreement with reports coming from local businesses. He added that the Convention and Visitors' Bureau staff provides "tremendous" support and that the Bureau is bringing in another employee for the Bristol visitor center.

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Councilman Barboza stated that he was pleased to learn that the Town is getting its money's worth.

Mr. Byrnes stated that the merchants appear to be in agreement that joining forces with Newport is better than the previous county-arrangement.

Councilwoman Parella asked to know how this success is tracked with Mr. Byrnes reporting that the Newport visitor center regularly sends people who are looking for a "day trip" to Bristol.

Councilwoman Parella asked to know how the merchants provide their opinions with Mr. Byrnes reporting that all of the merchants "chat."

Councilman Barboza noted that St. Mary's Church has received referrals from Newport for weddings.

Jeffrey Hirsh reported that the Newport people sent him several private function booking leads and that this did not happen when Bristol was not part of the Newport group.

Council Chairman Marshall asked to know if the \$30,000 requested by Mr. Byrnes was for only one year with Mr. Byrnes responding affirmatively.

Councilwoman Parella stated that several Council members attended a luncheon with the consultant and that she intended to place this matter on the budget workshop schedule but forgot to do so.

Council Chairman Marshall noted that \$5000 was appropriated in the Director of Community Development's budget.

Councilman Herreshoff asked to know if the website will cost \$12,000 with Mr. Byrnes responding affirmatively. Councilman Herreshoff stated that the \$5000 would be a good amount toward the website and that he supports the website.

Councilman Teixeira stated that his intention was to assist with the requested \$30,000 this year and that the \$30,000 could come from the meal tax.

Councilman Herreshoff asked to know if the \$30,000 from the meal tax was factored into the 2012-2013 budget as revenue with Town Treasurer Goucher reporting that it was.

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Councilwoman Parella asked to know if there were funds available from this year with Town Treasurer Goucher reporting that she and Town Administrator Mederos "brainstormed" the issue and found that the meal/hotel tax revenue coming from the State was higher than anticipated and that there appeared to be \$22,000 of extra meal tax revenue and \$2,000 of extra hotel tax revenue.

Council Chairman Marshall noted that the revenue reported by Town Treasurer Goucher combined with the \$5000 planned Community Development appropriation for 2012-2013 and the \$1000 voted from Contingency would equal the \$30,000 requested by Mr. Byrnes.

Councilwoman Parella expressed concern that the Council should not "link" funds from tax revenue to fund certain projects since it may be misleading to do so and the recipient may believe that the funding will be ongoing.

Mr. Byrnes agreed with Councilwoman Parella and stated that the amount should be budgeted if needed in the future but the Council may wish to consider the revenue arrangement as a "starting point."

Councilwoman Parella agreed that the appropriation brings no entitlement and that the Council cannot make a commitment for the Council taking office in December.

Councilman Herreshoff suggested that any commitment with the consultant should be for one year only.

Council Chairman Marshall suggested that the Council should receive quarterly reports on the status of the initiative.

Councilman Herreshoff noted that the consultant is now expecting \$66,000 and asked if the future fee requirements will be more.

Mr. Hirsh stated that he did not think that this would be the case.

Councilman Herreshoff asked to know if the \$66,000 included advertising costs with Mr. Hirsh responding that the consultant will be paid to promote the Town through a public relations effort.

Mr. Byrnes noted that one of the purposes of the initiative is to encourage cooperation between the various businesses and to leverage same. He provided an example that a wedding venue would be linked to a limousine service and florist, etc.

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Mr. Byrnes reported that hotel accommodation is a problem since persons booking large weddings typically prefer to book blocks of rooms and that the Town has only one hotel. Councilman Herreshoff stated that it was unfortunate that the Belvedere was not renovated as a hotel.

Mr. Byrnes stated that the group is speaking to Roger Williams University regarding the possibility of the University providing blocks of rooms in its North Campus Residence Hall for hotel purposes. He added that a locally based cruise ship may also be utilized for this purpose.

Councilwoman Parella asked if the bed and breakfast inns are utilized for this purpose with Mr. Byrnes responding that these usually do not attract wedding guests.

Denise Asciola asked if the initiative should ask for an appropriation through the Human Resources budget with Councilwoman Parella responding that this would better be a departmental appropriation going forward.

****AMEND ITEM3. Future Capital Borrowing**

Parella/Barboza - Voted to authorize the Bond Counsel to prepare draft legislation for a bond referendum totaling \$9 million for roads and storm drainage improvements, Tanyard Brook Phase II improvements, open space acquisition, and public buildings improvements. Voting in favor of this motion were Council Chairman Marshall, Councilman Barboza, Councilman Teixeira and Councilwoman Parella. Voting opposed was Councilman Herreshoff.

Prior to the vote taken, Council Chairman Marshall noted that the legislative deadline was approaching and if the Council would like to place a bond referendum on the November ballot it would have to take action soon.

Council Chairman Marshall stated that the Town may borrow \$6.5 million without a referendum and has approximately \$2 million remaining from earlier bond referenda. He stated that he agrees with Councilwoman Parella that obtaining the permission of the electorate is better since it brings a higher public opinion for

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the projects undertaken through borrowing and also provides the Council with a sense of confidence that the voters approve of the project.

Council Chairman Marshall suggested that if the Town is to consider a bond referendum, it might include the Tanyard Brook Phase II and that this project would be for a retention pond to mitigate the 4-5 million gallon surges occurring during heavy rainstorms. Council Chairman Marshall stated that the average cost to contain one gallon of water is approximately \$1. He added that he anticipates the cost for the project, intended to last for many years, might reach \$4 million and would greatly solve the Tanyard problems.

Council Chairman Marshall also suggested that bond funds could be allocated to redo the Church Street Armory, provide matching funds for the Walley School and Quinta-Gamelin projects and for the dock construction adjacent to Robin Rug.

A discussion ensued regarding estimates for each of the projects with Council Chairman Marshall suggesting that several of these may qualify for grants which may have to be matched.

A discussion ensued regarding a possible wind turbine purchase with Councilman Herreshoff asking to know how much Portsmouth derives in revenue from theirs.

Town Treasurer Goucher stated that the turbine cost \$3 million and that the net revenue per year is approximately \$50,000.

Councilwoman Parella suggested that if a bond is to be considered for a turbine it should be more broadly described as "green energy" since this would carry fewer limitations especially considering that the Town may prefer to pursue a solar project.

A discussion ensued regarding wind studies, selling electricity, etc. Councilman Herreshoff asked Town Treasurer Goucher if she might provide a "white paper" on the Portsmouth example.

Town Treasurer Goucher agreed to "reach out" to the Portsmouth finance director who may also be willing to speak directly to the Council concerning Portsmouth's experience.

Councilman Barboza noted that there appears to be some opposition to the East Bay Energy Consortium and suggested that the timing may be poor for a "green energy" bond.

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Councilwoman Parella suggested that a green energy bond might be put separately before the voters.

Councilman Herreshoff noted that the Council has a good record for obtaining approval for its bond issues due to "thoughtfulness." He added that it would be detrimental to the Town to have bonds turned down by the voters.

Councilwoman Parella reminded the Council that school bonds have been turned down lately.

Councilman Herreshoff stated that the school bond was turned down because the project was poorly conceived.

Councilwoman Parella asked if Council Chairman Marshall had considered a figure for open space with Council Chairman Marshall responding \$1-2 million. He added that he agrees that the Town has used its previously approved funding judiciously and that this should factor well into the voters' decision about future borrowing.

Councilman Barboza asked to know about a road program with Town Treasurer Goucher noting that the Town has \$500,000 remaining in an earlier bond. Town Administrator Mederos suggested that she will attempt to work out a plan for a specific road program.

Councilwoman Parella suggested that the "road program" should also include drainage.

Councilman Herreshoff stated that he does not think that the Town needs a bond referendum and that he does not support it. He added that he thinks that Quinta-Gamelin will be the highest priority and that this will have wide support.

Councilwoman Parella suggested that the Council should ask the voters and if the voters reject the question, so be it. She added that the Tanyard Brook repair was "way underfunded" and that the Brook continues to be problematic.

Councilman Herreshoff stated that a better process would be to use the existing capital funds and to have Recreation Director Burke find matching grant funds.

Councilman Herreshoff added that the economy is still bad and that he believes that 2014 will be better.

Councilwoman Parella stated that there are predictions that the

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State economy will not markedly improve for ten more years and that she believes that open space acquisition, Quinta-Gamelin, and roads cannot wait for ten years.

Councilman Herreshoff noted that there is a new Federal transportation bill.

Councilman Teixeira suggested that the Town should be cautious in its approach and that he thinks that the Tanyard is very important especially considering Richmond Street and Collins Street.

Councilman Teixeira left the meeting at this point (8:32 PM) due to a 4th of July commitment.

Councilwoman Parella stated that she did not think that there would be too many opportunities for "bricks and mortar" at Quinta-Gamelin.

Town Administrator Mederos recalled that Recreation Director Burke plans to charge fees for some of the Quinta-Gamelin programs.

Town Treasurer Goucher stated that Bond Counsel Sandra Mack may wish to prepare a "white paper" for the Council regarding charging for the use of facilities supported through tax-free bonds since this practice may be somewhat problematic.

A discussion ensued resulting in the language appearing in the motion above.

There being no further business, upon a motion by Councilman Barboza, seconded by Councilman Herreshoff and voted unanimously, the Chairman declared this meeting to be adjourned at 8:46 o'clock PM.

Louis P. Cirillo, CMC, Council Clerk