

REGULAR MEETING NORTH SMITHFIELD TOWN COUNCIL

JUNE 21, 2010

NORTH SMITHFIELD ELEMENTARY SCHOOL

7:00

P.M.

GOOD AND WELFARE

Taxes

George Hemond of 18 Eaton Street was reviewing his tax bills from the last few years and feels that local officials have done a much better job of controlling taxes than state or federal officials.

Retirement System

Claire O'Hara of 16 Summit Avenue stated that anyone under a retirement system should be treated equally and contribute the same co-pay.

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REGULAR MEETING

The meeting began at 7:00 P.M. with the prayer and the pledge to the flag. Council members present were Dr. Benoit, Mr. Biron, Mr. Leclerc, Mr. Zwolenski and Mr. Lovett. Town Administrator Hamilton and Town Solicitor Nadeau were also in attendance.

PUBLIC HEARING FISCAL YEAR 2010/2011 BUDGET

Town Administrator Hamilton and Finance Director Brian Silvia gave

a power point presentation on the revenues and expenses of the town.

Mrs. Hamilton noted that state aid to North Smithfield has been reduced by \$1,875,000.

Tax Assessor Chris Belair explained how for the past several years the town had been reimbursed from the state for motor vehicle excise taxes based upon the first \$6,000 in value of the vehicle. That has been eliminated and the individual cities and towns may now tax residents on their vehicles except for the first \$500 in value.

Mrs. Hamilton's proposed budget represents a 7.75% tax increase and she noted that four out of five Council members would have to vote in the affirmative to exceed the 4.5% tax cap. If there is no supermajority, the town will have to come up with an additional \$728,000 in reductions. She is opposed to using surplus money.

NSHS YOUTH LEADERSHIP ASSOCIATION

The Council paused the public hearing at this time to enable Alec Dalton to introduce himself and the other officers of the Youth Leadership Association. He explained this group of high school students will be learning about civic government on local, state and federal levels and they hope to instill values of leadership and service to other students.

PUBLIC HEARING FISCAL YEAR 2010/2011 BUDGET

Tony Guertin of 8 Country Way asked why not place more emphasis on the property tax rather than the motor vehicle tax.

School Committee member Fran Johannis asked how the town arrived at the 97.25% collection rate rather than 99%.

REVENUE

Projected revenue for fiscal year 2011 is: Current Year Taxes - \$26,361,733; Prior Year Taxes - \$400,000; Town Clerk/Other Fees - \$262,500; Building Inspector - \$230,000; Police Department - \$85,000; Miscellaneous Receipts - \$226,412; Interest Income - \$2,600; and Rhode Island State Aid - \$5,662,394 for a total of \$33,230,640.

TOWN COUNCIL - \$14,325

PROBATE COURT - \$8,740

TOWN SOLICITOR - \$215,644

Francesca Johannis questioned why the proposed budget for extraordinary litigation is \$100,000 when only \$40,000 was spent this year.

ADMINISTRATOR'S OFFICE - \$154,632

Dr. Benoit asked to see an accounting of grants.

MUNICIPAL COURT - \$44,988

Marc Baillargeon of Pacheco Drive intimated there could possibly be some back room talk by elected officials to the police chief or minimum housing inspector to increase the number of town violations ticketed in order to increase revenue.

Police Chief Steven Reynolds took great exception to this comment and assured Mr. Baillargeon that he does not meet in anyone's back room.

Mrs. Hamilton explained that a grant was obtained for start up costs and that having a municipal court would generate revenue for the town.

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TOWN CLERK'S OFFICE - \$175,187

When questioned, Mrs. Hamilton explained there was a fifteen percent increase in health care costs.

PLANNING DIVISION - \$133,431

BOARD OF CANVASSERS - \$15,424

FINANCE OFFICE - \$247,739

TAX ASSESSOR'S OFFICE - \$137,981

TAX COLLECTOR'S OFFICE - \$111,733

BOARD OF TAX REVIEW - \$1.00

AUDITS & COMPUTER SERVICE - \$103,700

Mr. Leclerc asked if there was any way to renegotiate any of the services provided under this account.

ZONING BOARD - \$9,442

PERSONNEL BOARD - \$1.00

CONSERVATION COMMISSION - \$800

HISTORIC DISTRICT COMMISSION - \$1.00

HOUSING AUTHORITY - \$1.00

REGIONAL INDUSTRIAL DEVELOPMENT - \$3,000

PUBLIC SAFETY COMMISSION - \$1.00

BUDGET COMMITTEE – \$1.00

JUVENILE HEARING BOARD - \$3,443

TOWN HALL - \$9,800

PLANT OPERATIONS - \$36,172

Fran Johannis questioned the \$25,000 for Phase 2 & 3 design and engineering costs. Sewer Commission Chairman Shawn Kane explained that the Council had stopped the second and third phases of the sewer project but took the design and engineering costs out of Phase I and spread them over the whole town. It will be \$25,000 for each of twenty years.

Marc Baillargeon asked if the Phase I users would also be paying those design and engineering costs. Mr. Lovett stated they would because this is a general obligation bond and everyone in town would be responsible for repayment.

PRINTING & ADVERTISING - \$18,500

Mr. Biron questioned the \$5,000 under Codification/Printing. The Town Clerk explained this was for reprinting the supplements for the Code of Ordinances.

CONTINGENCY FUND - \$206,000

Fran Johannis questioned the funding for the three-year and the

ten-year revaluations. Mrs. Belair responded that the \$50,000 is for the 2015 statistical revaluation that will cost approximately \$120,000 and the \$101,000 is for the 2012 ten-year revaluation that will cost upwards of \$300,000.

SCOUTERS HALL - \$3,490

NS PUBLIC LIBRARY - \$342,924

Alison Peirce, a member of the Library Board of Directors, spoke about the many programs and services available and the usage by people of all ages. In order to maintain the state funding, the town must at least level fund the library.

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Town Planner Robert Ericson commented that the library becomes a de facto senior center.

POLICE DEPARTMENT - \$2,337,208

ANIMAL CONTROL - \$72,849

CIVIL DEFENSE - \$11,955

Dr. Benoit questioned the salary of \$5,000 for the Director.

Finance Director Brian Silvia explained that if there is a director on

staff, the town is eligible to get one-half of the salary and most of the supplies reimbursed.

Mrs. Hamilton added that as expenses increase, the town could possibly receive fifty to seventy-five percent reimbursement.

FIRE DEPARTMENT - \$2,389,760

Fran Johannis commented that all departments should list expenses and revenues. She asked for an explanation of the third party billing agreement between the town and the fire department and how the monies will be used for next year's budget.

Chief Joel Jillson said it has been a long standing question as to who owns the money, the town or the fire department. The town owns the vehicles yet the fire department owns the provider numbers. Going back to 1999 the money was used for EMS related activities such as equipment, supplies and training. In later years when there were financial difficulties, the town used some of that money to defray its costs.

HYDRANT RENTAL - \$45,000

Mr. Biron asked for an explanation of the obligation of the town and of the City of Woonsocket. Some hydrants are not painted or maintained.

INSPECTION DIVISION - \$150,047

HIGHWAY DEPARTMENT - \$696,751

PARKS AND RECREATION - \$120,449

Mr. Biron commented there should be only one salary listed for the Parks and Recreation Director and the Public Works Director.

Mrs. Hamilton explained there is pending litigation.

TREE WARDEN - \$3,611

STREET LIGHTS - \$153,000

Last year Dr. Benoit desired to shut off twenty-five percent of the street lights in an attempt to save costs but learned during the course of the year that only five percent could be shut off. He objects that because twelve people complained, only 88 lights were shut off.

Mrs. Hamilton stated the lights were turned back on because it was a safety issue.

RUBBISH DISPOSAL - \$636,800

SEALER OF WEIGHTS - \$1.00

DEBT SERVICE – PRINCIPLE - \$1,721,098

Diane Wojcik asked for an explanation of the Clean Water 2011 bond

that was not listed under this year's debt service.

(Mr. Leclerc left at approximately 9:30 P.M. due to illness.)

DEBT SERVICE – INTEREST - \$1,568,911

Mr. Biron asked for a detailed report of all bonds due.

MEDICAL AND RETIREMENT EXPENSES - \$317,255

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INSURANCE - \$200,000

SCHOOL DEPARTMENT - \$20,759,695

Michelle Taylor asked the Council to consider increasing funding the schools in order to be able to provide a quality education.

Michael Rapko noted there are salary increases that equate to seven percent. That is really hurting the budget.

Claire O'Hara felt any adjustments to co-pays or employee benefits should be felt across the board in every department and no one should be grandfathered in.

Tracey Nangle, concerned about the cuts to the school budget, suggested that all municipal employees take a one percent pay

reduction.

Fran Johannis stated that the school department cannot take any further cuts and urged the Town Council to at least level fund the department to protect their maintenance of effort base.

MOTION by Mr. Zwolenski, seconded by Dr. Benoit, and voted 4 to 0 on an aye vote at 10:30 P.M. to extend the meeting to 11:00 P.M.

GRANTS AND CONTRIBUTIONS - \$49,150

Mr. Biron felt it might be time to discontinue all grants and contributions to put the money where it is needed more, whether that be the school department, police department or fire department.

MOTION by Dr. Benoit, seconded by Mr. Biron, and voted 4 to 0 on an aye vote at 11:01 P.M. to extend the meeting to 11:45 P.M.

SEWER DEPARTMENT BUDGET

Sewer Commission Chairman Shawn Kane proposed the sewer department budget noting several changes that have been made.

Mr. Biron questioned the telephone expense believing \$3,000 for the year seemed high.

Mr. Biron also questioned the expenses for plow blade, plow lights, plow spring and plow support and \$35,000 for a generator.

AWARD OF CONTRACT FOR SCHOOL ENERGY SAVINGS CAPITAL IMPROVEMENT PROJECT

MOTION by Dr. Benoit, seconded by Mr. Biron, and voted 4 to 0 on an aye vote to move this item up on the agenda.

Speaking on behalf of the School Capital Advisory Group, Fran Johannis explained they have received approval from the General Assembly, the Board of Regents and Rhode Island Health and Educational Building Corporation to move forward with the energy savings proposal. Tonight the group is seeking Town Council approval to sign the contract.

There was discussion about financing and cash flow.

Mr. Nadeau would not recommend to the Council to approve this contract unless the following language on Page 36 in Paragraph (i) under Project Benefits Shortfalls or Surpluses is deleted: "Project Benefits Shortfalls. If an Annual Project Benefits Shortfall occurs for any one year of the Guarantee Term, JCI shall, at its discretion and in any combination, (a) set off the amount of such shortfall against any unpaid balance Customer then owes to JCI, (b) pay to Customer the amount of such shortfall, or (c) subject to Customer's agreement, provide to Customer additional products or services, in the value of such shortfall, at no additional cost to Customer."

MOTION by Dr. Benoit, seconded by Mr. Biron, and voted 4 to 0 on an aye vote at 11:47 P.M. to extend the meeting to 12:30 A.M.

There was discussion about signing a contract before the lease revenue bond was available to be issued for the down payment. That could result in a breach of contract on the town's part.

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MOTION by Dr. Benoit and seconded by Mr. Biron that subject to review by Mr. Nadeau, the town move forward with the contract with Johnson Controls, Inc. pending the availability of the lease revenue bond.

Roll call: Dr. Benoit – yes; Mr. Biron – yes; Mr. Zwolenski – yes; Mr. Lovett – no. The motion carried 3 to 1.

Mr. Nadeau pointed out that the contract should be with the Town of North Smithfield since it owns the real estate and the person signing the contract should be the Town Administrator.

FINAL ALLOCATIONS/APPROPRIATIONS FOR NORTH SMITHFIELD MIDDLE SCHOOL

MOTION by Dr. Benoit, seconded by Mr. Biron, and voted 4 to 0 on an aye vote to move this item up on the agenda.

School Building Committee member Paul Vadenais explained there was approximately \$400,000 left in the bond money. The committee is recommending the Middle School project be finalized by the following actions being taken. That an amount not to exceed \$150,000 be allocated to the project to buy out some outstanding equipment that was not purchased as the committee waited to find out the balance remaining with the project. Also, the committee is recommending appropriating approximately \$50,000 for the water system upgrades at NSES. It was determined that a balance of \$263,000 was left from several bond issues from the 1999 referendum as well as \$123,000 from RIBHEC, which is related to the \$30 million bond for the Middle School. It is the recommendation of the School Building Committee to do the two above mentioned projects and the committee will sign off on the project as complete to allow the Council to appropriate the RIHEBC balance to bond service in the upcoming fiscal year.

MOTION by Dr. Benoit, seconded by Mr. Lovett, and voted 3 to 1 on a roll call vote (Mr. Zwolenski voted no) to approve the request to allocate no more than \$150,000 with the stipulation that more information will be brought back before the Council.

APPROVAL OF MINUTES

MOTION by Mr. Zwolenski, seconded by Dr. Benoit, and voted 4 to 0 on an aye vote to approve the minutes of May 17 and June 7, 2010.

PAYMENT OF BILLS

MOTION by Dr. Benoit, seconded by Mr. Zwolenski, and voted 4 to 0 on a roll call vote to approve payment of the following for fiscal year 2009/2010: General Fund - \$143,874.48; Sewer - \$356,549.34; Water - \$1,751.55; Wire Transfer Fire Department - \$200,146.67 for a total of \$702,322.04 and for fiscal year 2010/2011 Wire Transfer School Department - \$654,380.00.

WIND TURBINE, SIGN AND MIXED USE ORDINANCES

MOTION by Dr. Benoit, seconded by Mr. Biron, and voted 4 to 0 on an aye vote to refer the wind turbine and sign ordinances back to the Planning Board and to informally receive the mixed use ordinance but to take no action.

CONSERVATION COMMISSION MINUTES

MOTION Dr. Benoit, seconded by Mr. Biron, and voted 4 to 0 on an aye vote to accept and place on file the minutes of April 13 and May 11, 2010.

INDUSTRIAL DEVELOPMENT COMMISSION MINUTES

MOTION by Dr. Benoit, seconded by Mr. Biron, and voted 4 to 0 on an aye vote to accept and place on file the minutes of May 24, 2010.

SEWER COMMISSION MINUTES

MOTION by Dr. Benoit, seconded by Mr. Biron, and voted 4 to 0 on an aye vote to accept and place on file the minutes of April 21, 2010.

APPOINTMENT TO REDEVELOPMENT AGENCY

MOTION by Dr. Benoit and seconded by Mr. Zwolenski for discussion that there is no necessity to appoint any members because the ordinance was site specific to Branch Village.

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Mrs. Hamilton urged the Council to move forward as she has been in touch with several people who are still interested in serving on the board and she disagreed that it was strictly for Branch Village.

Mr. Nadeau stated that the ordinance was not site specific for Branch Village. It was originally developed for Branch Village but there is actually no area in town right now subject to Redevelopment Agency authority because the Council has not designated any area pursuant to the ordinance as being a redevelopment district.

The MOTION failed on a 2 to 2 aye vote.

Mr. Biron appointed John Gregory, Mrs. Hamilton appointed Eric Nascimento, David Lovett appointed John Flaherty and Bruce Waterson and Dr. Benoit appointed Robert Nault. Mr. Zwolenski wanted to wait to name his appointment pending further discussion with an individual.

The matter was continued to July 19, 2010.

PROCLAMATION RE: NORTH SMITHFIELD INDEPENDENTS WEEK

The Clerk had received notice earlier in the evening from the sponsor of the proclamation, Donald Gagnon, that he would like to be continued to another meeting.

MOTION by Mr. Biron, seconded by Dr. Benoit, and voted 4 to 0 on an aye vote to table this matter to another meeting..

COMMUNICATIONS

MOTION by Mr. Biron, seconded by Dr. Benoit, and voted 4 to 0 on an aye vote to place on file the following: A.) Animal Control Monthly Report for May 2010; B.) NSF&RS Inc. Monthly Incident Report for May 2010; C.) Resolutions Re: Mandatory Binding Arbitration on Monetary Matters for Teachers from the Town of North Kingstown and the Exeter-West Greenwich Regional School Committee; D.) Resolution Opposing RIDE Proposed Funding Formula from the Exeter-West Greenwich Regional School Committee; E.) Resolution Opposing Contract Continuation from the Exeter-West Greenwich Regional School Committee; F.) Resolution Re: Waiver of Recording Fees for Special Loans for Flood Victims from the Town of Richmond; and G.) Resolution Re: Exemption from DEM Regulations for Repairs to Flood-Damaged Municipally-Owned Bridges, Culverts, Etc. from the Town of Richmond.

**MOTION by Dr. Benoit, seconded by Mr. Zwolenski, and voted 4 to 0
on an aye vote to adjourn at 12:29 A.M.**

Respectfully submitted,

Debra A. Todd, Town Clerk