

SPECIAL MEETING NORTH SMITHFIELD TOWN COUNCIL

JUNE 3, 2013

KENDALL-DEAN SCHOOL AUDITORIUM

6:30 P.M.

The meeting began at 6:32 P.M. with the prayer and the pledge to the flag. Council members present were Ms. Alves, Mr. McGee, Mr. Yazbak, Mr. Zwolenski and Mr. Flaherty. Town Administrator Hamilton and Town Solicitor Lombardi were also in attendance.

DOWLING VILLAGE WIND ENERGY LEASE

Former Town Solicitor Richard Nadeau, Jr. provided a summary of the terms of the proposed draft agreement between RAM Investment Associates, LLC, DV Wind LLC, and the Town of North Smithfield. He

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explained that originally this parcel was to include condominiums as part of the Master Plan. However, the developer, Brian Bucci, became interested in placing a wind turbine there instead. He had meetings with town officials and the North Smithfield Land Trust who agreed to seek a grant from DEM. The plan several years ago was that the town would purchase about 43 acres and out of that approximately two and one-half acres would be leased to DV Wind. The deal came before two prior councils and there were significant negotiations regarding the lease. The basic concepts have been incorporated into this rough draft. Mr. Nadeau has been told that both RAM Investment and DV

Wind are willing to accept the agreement with all of the changes he has recommended although there are some areas that Mr. Nadeau felt should be reviewed by the Council.

Mr. Zwolenski noted there was no map attached with Exhibit B and was told by Mr. Nadeau there has been no subdivision of the property as of yet.

Mr. Zwolenski commented that there is a paragraph that seems to indicate there could be more than one wind turbine.

Mr. Nadeau responded that the intent is not to construct more than one turbine at this time but with any advances in technology that come in the future, there may be the desire to take down this turbine and replace it with something newer.

Mr. Zwolenski asked if the town takes the grant money from DEM, would it be protected should the lessee not build the turbine and provide rents to the town.

Mr. Nadeau answered the town would not buy the property until all of that is passed. He added that the lease is being entered into with RAM Investment.

Mr. Flaherty asked about timelines.

Town Planner Robert Ericson stated the DEM grant expires September 15, 2013.

In regards to taxes, the town would lose the property tax revenue if a turbine is built; however, that would be offset by the rents collected.

Mr. Zwolenski and Mr. Nadeau agreed that the approval process should be longer than ten days.

Dr. Caroly Shumway wished to clarify that it was the North Smithfield Land Trust who initiated the DEM grant. This time they partnered with the town. She thought the expiration date of the grant was in November. Dr. Shumway added that certain documents need to be completed including the purchase and sales agreement.

MOTION by Mr. Zwolenski, seconded by Ms. Alves, and voted unanimously on a roll call vote to authorize Mr. Nadeau to open discussion with RAM Investment attorneys to affirm they are on board with the agreement and to discuss a purchase and sales agreement.

Mr. Nadeau requested Attorney Joseph White, representing DV Wind, to provide copies of all exhibits that need to be inserted into the agreement.

Attorney White explained that in order to obtain a power purchase

agreement with National Grid, his client has to apply for the right through a bidding process. That process opens on June 18th and closes on June 28th. If they miss that deadline, then they lose out until next year.

Mr. Yazbak stated that one of the reasons the town was considering holding the tangible and real estate tax issue was because the town was going to have some kind of benefit that could be realized over a significant amount of time. If that clause cannot be worked out, he will not be in favor of the agreement. Mr. Yazbak also had a concern that if the town will be using the 2007 open space bond, there should
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be a letter from bond counsel stating that it can be used for this purpose.

MUSICAL PRESENTATION BY CHRISTOPHER FORBES

Christopher is a high school student who has been selected to participate in a musical group that will be touring several European countries. At a prior Council meeting, the members had voted to contribute to this tour with the hope that he would return at one of the next meetings to perform. He attended this evening's meeting and played two selections for the Council and audience.

VICTUALING LICENSE - C & L N.S. LLC D/B/A DENNY'S #8781

MOTION by Mr. Zwolenski, seconded by Mr. McGee, and voted

unanimously on a roll call vote to approve the victualing license contingent upon final approval from the fire marshal and the Department of Health and upon finalization of any other necessary inspections and upon receipt of any other documents that are required.

PAYMENT OF JAMES J GEREMIA & ASSOCIATES INVOICES

Because no one was present to explain these invoices and Finance Director MacDonald was unaware of them, MOTION by Mr. Yazbak, seconded by Mr. Zwolenski and Mr. McGee, and voted unanimously on an aye vote to table payment of these invoices until the Finance Director has the opportunity to review them.

OUTDOOR SOUND SYSTEM PERMIT - MS. HAMILTON

Town Administrator Hamilton is planning a graduation party for her son at her home located at 437 Black Plain Road on June 14, 2013 and is seeking a permit for an outdoor band to play from 6:30 P.M. to 8:00 P.M.

MOTION by Ms. Alves, seconded by Mr. Zwolenski, and voted unanimously on an aye vote to approve an outdoor sound system permit for Ms. Hamilton.

OUTDOOR SOUND SYSTEM PERMIT - KEVIN'S CAUSE/KEVIN GIVES BACK

This is a fundraiser initiated by Corporal Kevin Dubois and his wife

Kayla Dubois to show gratitude for support Corporal Dubois has received after being severely injured during his second deployment in Afghanistan. Proceeds will be given to soldiers and families in similar situations. The event will be held on June 22, 2013 at the Sayles Hill Rod & Gun Club from 1:00 p.m. to 10:00 p.m.

MOTION by Mr. Yazbak, seconded by Mr. McGee, Mr. Zwolenski and Ms. Alves, and voted unanimously on an aye vote to approve an outdoor sound system permit for Kevin's Cause/Kevin Gives Back for an event to be held at the Sayles Hill Rod & Gun Club on June 22, 2013.

RESOLUTION RE: HISTORIC TAX CREDIT IN THE STATE OF RHODE ISLAND

MOTION by Mr. Yazbak, seconded by Mr. Zwolenski, and voted unanimously on an aye vote to adopt the following resolution: "WHEREAS, Governor Chafee and both Houses of the Legislature have put things in motion to give the Rhode Island economy a desperately needed boost by introducing Historic Tax Credit bills in the 2012-2013 Legislative session; and WHEREAS, the statewide Coalition for Neighborhood and Economic Renewal is advocating and seeking municipal leaders' support for the General Assembly's enactment of a state Historic Tax Credit as a critical strategy for Rhode Island's economic recovery; and WHEREAS, a Historic Tax Credit can provide the incentive that both large and small developers need to get building projects under way and spur employment in the

construction sector, which, in Rhode Island, has had the largest percent loss in construction jobs nationally; and WHEREAS, a Historic Tax Credit will improve North Smithfield property values, attract new commercial and residential property owners, and trigger new tax revenues desperately needed to stabilize North Smithfield finances, restore our economic self-sufficiency, and jump start Rhode Island's economic recovery; and WHEREAS, absent a Historic Tax Credit in Rhode Island, we are losing developers who are attracted to cities and towns in our neighboring state, all of which offer an historic tax credit incentive; and WHEREAS, the Historic Tax Credit in existence between 2002 and 2008 pumped some \$1.3 billion of private investment into the state's economy; and WHEREAS, studies show that tourists inclined toward historic destinations stay longer, visit twice as many

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places, and spend more than twice as much money as other visitors. A Historic Tax Credit would draw developers to invest in the town of North Smithfield and adapt and reuse our historic structures as art galleries, micro-breweries, performance and meeting spaces, inns, restaurants, and boutiques; and WHEREAS, a Historic Tax Credit supports sustainability by fostering the "recycling" of sound older buildings, revitalizing existing walkable neighborhoods rather than developing new subdivisions and auto-dependent shopping malls, and reducing the likelihood of development on our remaining farm- and forest-lands; and WHEREAS, a Historic Tax Credit supports

affordable- and market-rate housing preservation and creation, local skilled-jobs creation, and additional private investment in areas surrounding tax-credit-driven revitalization projects. NOW, THEREFORE, BE IT RESOLVED that the Town Council of the Town of North Smithfield affirms its belief that Rhode Island needs a strong, predictable and transparent State Historic Preservation Investment Tax Credit program; that a restructured State Historic Preservation Tax Credit is one of the best economic development and neighborhood revitalization tools that Rhode Island can implement, and BE IT FURTHER RESOLVED that the Town Council of the Town of North Smithfield voices its support for the passage of Historic Tax Credit legislation this Legislative session.”

PLANNING MEMO DATED MAY 29, 2013

MOTION by Mr. Zwolenski, seconded by Ms. Alves, and voted unanimously on an aye vote to table this matter.

FISCAL YEAR 2014 SCHOOL/MUNICIPAL BUDGET

In addition to the Town Council members, Budget Committee members Michael Clifford, Mary Jo Vallee, Merredythe Nadeau, John Zambarano and Alfred Puccetti were present along with School Committee member William Connell, in his role as liaison to the Town Council, and Robert Civetti, CPA, Principal, Braver PC who has been assisting the Budget Committee.

The Budget Committee gave a power point presentation on their

FY2014 Budget Analysis. This included Budget Review Necessities, an Analysis of Sample of Rhode Island School Department Districts Fiscal 2013 and Proposed Fiscal 2014 Budget Requests, samples from other towns/cities of school revenues reflected in department budgets, a sample of line item expense detail with prior year actuals as provided by the Town of Lincoln, a sample of the North Smithfield School Department budget for fiscal year 2013-2014 as provided by the Central Office, and a fiscal year 2012 Analysis of a Sample of Rhode Island School Departments/Districts for the School General Fund. There was also a page relating to the bond issue for Johnson Controls and FY 2014 Statewide Budget Model Elements approved by the RIDE Board of Regents. Included in the presentation were copies of Title 16 Education, Section 16-2-21 and Title 45 Towns and Cities, Section 45-10-4.

The Budget Committee made six recommendations they felt were for the benefit of the town.

Recommendation No. 1

MOTION by Mr. Zwolenski, seconded by Ms. Alves, and voted unanimously on a roll call vote to accept the Budget Committee's recommendation to use a single audit contract for future audits post 2013, following the recommendations of the Rhode Island Auditor General.

MOTION by Mr. Zwolenski, seconded by Ms. Alves, and voted

unanimously on an aye vote at 9:50 P.M. to extend the meeting to 10:30 P.M.

Recommendation No. 2

MOTION by Ms. Alves, seconded by Mr. Zwolenski, and voted 4 to 1 (Mr. Yazbak voted no) on a roll call vote to accept the Budget Committee's recommendation to consider creating a contingency fund on the municipal side to support the school athletic programs.

Recommendation No. 3 - that an amount identified by the Budget Committee be built into the municipal contingency fund to cover unanticipated extraordinary costs - was withdrawn by the Budget Committee. The Council took no action.

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Recommendation No. 4

MOTION by Ms. Alves, seconded by Mr. Zwolenski, and voted 4 to 1 (Mr. Yazbak voted no) on a roll call vote that the energy savings bond repayment be funded in the municipal budget.

Following a suggestion made by former Budget Committee Chairman Paul Vadenais, Town Solicitor Lombardi agreed to contact bond counsel to see if this was allowable.

Recommendation No. 5

MOTION by Mr. Zwolenski, seconded by Ms. Alves, and voted unanimously on a roll call vote that all anticipated revenues be recognized within the operating budget.

Mr. Yazbak recommended including everything in the budget, all revenue and all expenses across the board, to remove any perceived cloud.

Recommendation No. 6

MOTION by Mr. Zwolenski and seconded by Ms. Alves that the Council accept the Budget Committee recommendation that all anticipated credits and reimbursement be identified within the school department budget.

Again Mr. Yazbak recommended that all departments be included, not just the school department.

Mr. Zwolenski subsequently withdrew his motion and Ms. Alves withdrew her second.

MOTION by Mr. Yazbak, seconded by Mr. Zwolenski, and voted unanimously on a roll call vote that the Budget Committee's proposal should include all anticipated credits and reimbursements and that they be identified in all departments.

MOTION by Mr. Zwolenski, seconded by Ms. Alves, and voted unanimously on an aye vote to adjourn at 10:25 P.M.

Respectfully submitted,

Debra A. Todd, Town Clerk