

Town Council Meeting
May 13, 2013

WORK SESSION - 6:00 PM - Discussion of Pension Obligation Bonds

Present at work session: Councilman Laboissonniere, Councilwoman Carlson, Vice-President McGee, Councilman Jendzejec, President Cote, Solicitor Tobin and Manager Hoover.

President Cote advised that the purpose of the work session is to have a discussion on the unfunded pension liability, what pension obligation bonds are and the purpose they serve. The idea of bonding some of the pension liability has been talked about in order to bring the pension plans out of critical status, but the Council needs to be capable of making an informed decision, so we brought in our experts that work for the town to go over some options and answer council questions.

Finance Director Ted Przybyla introduced Steve Maceroni of PFM, the town's financial advisor, who would assist in developing the bond proposal; and Steve Lemanski, our actuary from Milliman. Both are prepared this evening to answer any questions you may have.

Mr. Maceroni explained that basically the purpose of pension obligation bonds (POB's) is to borrow money and put the proceeds in a trust fund. The expectation is two-fold in that the debt service on the bond would be lower than the ARC payment and secondly you can exceed your borrowing rate with your investment rate. However, tax laws have changed since 1986 and now you have to issue taxable bonds. Frankly, how it is done today is basically investing in the stock market, which puts a lot of risk on the table.

When it comes to tax exempt vs. taxable, ratings agencies don't view this as a positive. You will need to have General Assembly approval, voter approval, auditor general approval, Department of Revenue approval, and meet all requirements. Another thing to consider is that if you have one year where you take a 20% hit in the market, that one bad year could cost you four or five years to catch up. Because prior administrations didn't fund 100% of the pension is the reason why you are where you are today. Also, this debt now is considered a soft liability, but put into a bond, debt service becomes a hard liability. Investment risk is really the big thing. If you were going to do a POB, I would do this in concert with trying to get some reforms along with that.

President Cote remarked that his reasoning for initiating this was to take the responsibility of the ARC out of the hands of any future Town Council by turning it into a hard debt that has to be met every year. Make it a line item in the budget, and by doing that, will significantly reduce our ARC payment.

Moody's continues to leave a negative mark on our bond rating because we do not fund the pensions properly. This POB would benefit us by getting both pensions out of critical status. It will reduce our arc payment every year and prevent these pensions from falling back into critical status by future councils. President Cote feels that since the market is in an upswing, we could have 15-18 years of a bull market, get a better rate, and by the time the market would burst again, would only have a couple of years left. If you could borrow at 5% and make 8%, for the next 15 years, it takes the pension systems out of critical status and just seems like a win/win for everybody.

Mr. Maceroni agrees that those are valid points, and there are some strong arguments for POB's, but cities and towns are not in the business of playing the stock market due to the risk. Two years of a bad market could kill 15-17 years worth of gains.

Mr. Lemanski added that with the spread between the borrow rate and return, you are not guaranteed to have a win/win situation. The only way you can quantify if this is good or bad is to look at potential outcomes with different scenarios. Early good returns would make this a good thing, but there are plenty of examples out there where the reverse has happened, where POB's were issued at the top of the market and the bottom fell out a few years later. In that case you would be worse off than if you never issued the POB. I would say that in the last decade the market has been more volatile and less favorable for issuing POB's. They were popular in the mid to late 90's. I just want to highlight some of the risk associated. You really need to run various scenarios to get a good picture and minimize the risk of a bad outcome.

President Cote's idea is to use just enough money to get the plans out of critical status, but not 100% funded. We are state mandated to meet our ARC in three years. This would only be the first step of a lot of hoops we would have to jump through and Mr. Lemanski

remarked that it took Woonsocket about 18 months to get through the whole process.

Councilman Laboissonniere suggested looking at less risky investments and Mr. Maceroni added that a less risky investment would also give less opportunity, where the results of bad outcomes are not quite so bad, but the good outcomes aren't quite so good.

Mr. Lemanski commented that there are many things to look at, such as the projected ARC, projected debt service combined with modeling on pension funds, the projected ARC with a POB vs. debt service with leftover ARC on pension fund. If you get these plans to 60% funded, that has to be amortized within one year of getting into MERS. With the current system, it all has to be done through collective bargaining. Manager Hoover doubted whether MERS would even let a community with a POB get into their system, will need to do research on that. Manager Hoover also raised the issue of whether a POB would raise our bond rating, or just put on additional liability. He will stay open minded, but has experienced a negative experience in Massachusetts with POB's. He remarked that it has been reported that POB's rarely improve the credit quality of government.

President Cote adjourned work session.

TOWN COUNCIL MEETING – 7:00 PM

Present: Councilman Laboissonniere, Councilwoman Carlson, Vice-President McGee, Councilman Jendzejec, President Cote, Solicitor Tobin and Manager Hoover.

Pledge of Allegiance
Invocation
Review of Emergency Evacuation Plan
President's Comments

President Cote reminded citizens that the Financial Town Meeting will be held on June 11, 2013 at the high school and invited everyone to attend.

Approval of Town Council minutes April 1, 2013, April 8, 2013, April 9, 2013, April 22, 2013, April 25, 2013

Councilwoman Carlson noted that on Page 3 of the April 8, 2013 minutes there is a typo in the last paragraph that should be changed to "USDA".

A motion was made by Councilwoman Carlson seconded by Vice-President McGee to approve all minutes, with a correction to April 8. All voted aye.

PROCLAMATION

1. Memorializing Bill Hall on his work and accomplishments in the Town of Coventry. President Cote presented proclamation to Tracy Hall.

Motion by Councilman Jendzejec seconded by Vice-President McGee to approve proclamation. All voted aye.

2. Recognizing the "Paint the Town Purple" event that kicks off the annual "Relay for Life" walk event in the fight against cancer. Vice-President McGee read proclamation and a motion was made by Councilman Jendzejec seconded by Councilwoman Carlson to approve proclamation. All voted aye.

CONSENT AGENDA

1. Application of Palagis Ice Cream for renewal of 90 day Peddler's license
2. Resolution establishing the Town Council summer meeting schedule as June 17, July 22, and August 19, 2013
3. Application by Hattoy's Landscaping Inc. for one-day live show entertainment license at 315 Blackrock Road to benefit the Gloria Gemma Breast Cancer Foundation
4. Application by Our Lady of Czestochowa Church, Washington Street for Class F (Beer and wine) license and dance license for annual festival on June 28, 29, and 30, 2013

Motion made by Vice-President McGee seconded by Councilman Laboissonniere to waive fee for Hattoy fundraising event on June 8, 2013 because 100% of proceeds go to the Gloria Gemma foundation. All voted aye. Mr. Ethan Hattoy advised that last year's event raised over \$7,000; this year the goal is \$10,000.

Motion made by Councilman Jendzejec seconded by Vice-President McGee to approve Consent Agenda. All voted aye.

LICENSES

1. Application by Dennis Colicchio for new victualling license at Harris Deli, 656 Main St.

Applicant Dennis Colicchio stated that he has received his certified food manager certificate and is only waiting for approval of the Board of Health before he can open.

A motion was made by Vice-President McGee seconded by Councilman Laboissonniere to approve victualling license pending Board of Health approval. All voted aye.

2. Application by Peter Archambault of Come Along Inn, 402 Washington Street, for Live Show Entertainment license

Applicant Peter Archambault explained that he is requesting a live entertainment license, but it would only be for a d.j., karaoke or a sole performer since there is no room in the establishment for a live band.

A motion was made by Councilman Laboissonniere seconded by Vice-President McGee to approve live entertainment license. All voted Aye.

3. Application for Flea market license for 548 Tiogue Ave (Barry Blair property)

Applicant Steven Gravier was present along with property owner Barry Blier. Mr. Blier has given permission to Mr. Gravier to operate a flea market on property located at 548 Tiogue Avenue. Mr. Gravier stated that he would have about 10-20 vendors on the grassy area, approximately 30 feet from the road line. Additional parking is available on the asphalt area.

Chief Volpe remarked that he doesn't have an issue with this as long as parking doesn't become a problem.

A motion was made by Councilwoman Carlson seconded by Councilman Jendzejec to approve flea market license. All voted aye.

RESOLUTIONS

1. Appointing Timothy Williamson as Moderator for the Financial Town Meeting on June 11, 2013

A motion was made by Vice-President McGee seconded by Councilman Jendzejec to approve resolution appointing Timothy Williamson. All voted aye.

2. Accepting the Town Manager's recommendation to designate Proposal #1 in both Financial Improvement Plans for the Municipal Employees and Police Pension Funds, required by the State Locally Administered Study Commission, to ensure the future financial integrity of the Town

Motion made by Councilman Laboissonniere seconded by Councilwoman Carlson to table resolution until after the Town Council meets with the State in a meeting on May 30, 2013. All voted aye.

3. Approval of the proposed budget for FY 2013/2014

Manager Hoover advised that we need Town Council approval in order to send the budget to the Department of Revenue to get further approval to advertise. This resolution reflects everything we talked about in the budget hearings and does very clearly indicate the recommended 3.5% tax increase, the driver of which is a mandate from the state regarding the new pension act to fund our pension obligations. As Mr. Laboissonniere has indicated, we have pension discussions with the State on May 30th. Although they want to target their

discussion on the SRP pension fund, I am sure they would not be adverse to talk about our own police and municipal funds.

Councilman Laboissonniere is concerned about taking \$2 million from the reserves to add into the pensions because it drops down the reserves to the exact minimum of 10%, giving us nowhere to go next year in funding the pension. It creates a bad situation for us by funding out of the reserves without making any additional changes to the budget. He is also concerned about what changes will be made in next year's budget. Are the changes based on collective bargaining? I don't believe there is enough to fund next year and think we are at a standstill.

Manager Hoover stated that changes are dependent on collective bargaining, which is ongoing now. The timing of the budget is such that we cannot include those final figures, but I am confident that we will have success with both those issues and will show up with a savings in the fund balance. It is prudent to do so to hold our bond rating. I ask that we approve this budget depending on what I believe will be success with the collective bargaining process.

Councilman Laboissonniere believes that spending has increased more than revenue and we are still taking money out of reserves. Spending is not controlled. Manager Hoover replied that the self insurance fund was depleted by the capital improvement program, which was approved by previous Town Councils. Although I never predict a surplus, I believe we are sound for next year's budget.

A motion was made by Vice-President McGee seconded by President Cote to approve resolution adopting budget. Vote taken: Councilmen McGee, Jendzejec and President Cote vote Aye; Councilman Laboissonniere and Councilwoman Carlson vote No. Motion passes 3-2.

4. Approving the financing and refinancing of sewer system extensions and improvements and approving the issuance of Wastewater System Revenue Bonds and Notes therefore in an amount not to exceed \$9,000,000

5. Authorizing the issuance of Tax Anticipation Notes in an amount not to exceed \$5,000,000.

Finance Director Ted Przybyla referred to Resolutions 4 and 5, explaining that Item #5 is simply a renewal of the annual tax anticipation note with the hope of getting Clean Water to do more permanent financing. We have been advised that it is unlikely that we will be able to permanently finance the \$5,000,000. So, what we have done here is ask you to let us renew that, if necessary. However, if Clean Water will allow us to refinance before July, then we won't do the tax anticipation note, but will refund in entirety, in which case the sewer enterprise fund will no longer have any short term date, but will be renewed at a much lower rate.

Motion was made by Vice-President McGee seconded by Councilman Jendzejec to approve resolution (Item #4). All voted aye.

Motion was made by Councilman Jendzejec seconded by Councilman Laboissonniere to approve resolution (Item #5). All voted Aye.

PUBLIC HEARINGS

1. Renewal of Second Hand licenses for:

- a. D's Walk In Closet, 749 Tiogue Ave
- b. Little Pumpkins, 759 Tiogue Ave
- c. Sew-Phisticated, 303 South Main St, Suite #2
- d. Twice is Nice, 1049B Tiogue Ave
- e. GameStop Inc., dba GameStop #3707, 627 Centre of New England Blvd
- f. Anthony Village Antiques, 658 Washington St
- g. Giordano, Sabatino, dba Big River Woodshop, 749 Tiogue Ave
- h. Gendron Brothers, Inc., dba Gendron's Jewelers, 19 Coventry Shoppers Park (includes pawnbroker license)

Motion was made by Vice-President McGee seconded by Councilman Laboissonniere to open public hearing. All Voted Aye.

No public comment. Motion was made by Councilman Jendzejec seconded by Councilman Laboissonniere to close public hearing. All voted aye.

Motion was made by Vice-President McGee seconded by Councilwoman Carlson to approve licenses. All voted Aye.

2. Renewal of Auto Salvage licenses for:

- a. Capozzi's Auto Sales and Salvage, New London Turnpike
- b. Chatelle, Russell L dba RC Repair, 625 Hammet Road

Motion was made by Councilman Jendzejec seconded by Councilwoman Carlson to open public hearing. All voted aye.

No public comment. Motion was made by Councilman Jendzejec seconded by Councilwoman Carlson to close public hearing. All voted aye.

Motion was made by Vice-President McGee seconded by Councilman Laboissonniere to approve licenses. All voted Aye.

3. Establishing Historical Area Zoning Article 19 of the Code of Ordinances of the Town of Coventry and establishing a Historic District Commission.

Motion made by Vice-President McGee seconded by Councilwoman Carlson to open public hearing. All voted aye.

Planning Director Paul Sprague presented the proposed historic zoning ordinance. The ordinance has already been before the Planning Commission and received a unanimous vote recommending adoption. This particular ordinance will create a small historic district relating only to Paine House and the fire alarm building, but in order for the Western Rhode Island Civic Historical Society to receive grants, there must be a district established and a commission in place. Grants are available for repair, upkeep and maintenance of properties. Creation of this district would be a start and if there is a need to expand, we can amend the ordinance. Mr. Laboissonniere asked whether creation of this district would negatively impact property values and Mr. Sprague replied that actually he thinks it would enhance property values.

Councilman McGee asked for more information about grants and funding. Mark Gardener, archivist for the Western RI Civic Society explained that grants and funding are vital as they are resources allowing this volunteer organization to have exhibits and activities, things that will attract people and tourism into town. A town's heritage is important to preserve. Manager Hoover added that it was a strong recommendation of the state historical office to start with a small district and build upon it.

Ron Gizzarelli remarked that approval of this ordinance is important to the town, but he feels that when property values go up as a result, people shouldn't have to pay additional taxes. There should be a moratorium on taxes in that area.

Zoning Officer Jacob Peabody is in favor of the ordinance, however he raised the point that the people who live within that zone and become part of the historic district will also have restrictions placed on their property.

A motion was made by Councilwoman Carlson seconded by Councilman Jendzejec to close public hearing. All voted aye.

A motion was made by Vice-President McGee seconded by Councilwoman Carlson to approve historic zoning ordinance. All voted aye.

4. Ordinance Amending sub-section 97-8 of the Coventry Code of Ordinances regarding animal nuisance due to animal trespassing, howling, yelping, barking or causing nuisance noise and the keeping of chicken hens and providing for enforcement of same

A motion was made by Councilman Jendzejec seconded by Councilwoman Carlson to open public hearing. All voted aye.

Councilwoman Carlson was satisfied with the ordinance, including a few revisions requested by Police Chief Volpe as follows:

E. No person shall keep any livestock or farm animals, to include chicken hens and fowl, unless they comply with the following restrictions/conditions:

1. The fenced outdoor enclosure must adequately contain the aforementioned farm animals.
2. The fenced outdoor enclosure must be kept clean, sanitary and have proper food, water and shelter.
3. Any violations of sub-section E (2) will be investigated by the Town of Coventry Animal Control Division. The Animal Control Division will prosecute violators when necessary.

No further public comment.

Motion made by Vice-President McGee seconded by Councilman Laboissonniere to close public hearing. All voted aye.

Motion made by Councilman Jendzejec seconded by Councilwoman Carlson to approve ordinance with revisions. All voted aye.

5. Amending Chapter 153 of the Ordinances of the Town of Coventry entitled "Licensed Businesses" regarding the closing hours for asphalt plants and cement plants

Motion made by Councilman Jendzejec seconded by Councilwoman Carlson to open public hearing. All voted aye.

John Assalone, 3 Sabina Court, stated that he knows of no construction jobs in Rhode Island that are run with such abandon, particularly with the dust and smell. There was a newsman at the site today and on the TV clip, they showed the smoke, they showed the dust, and said it was atrocious. You are responsible, as a Council, for the health and safety of the community with possibly a very dangerous situation here. Because of a quirk in the ordinance, they are operating at 5 a.m., and I invite you to go over there at that time to experience the far reaching wind, dust and smell.

Tammy Duxbury, 2 Orchid Trail, appeared on behalf of CASE, Citizens Advocating a Safe Environment, and urged the town to do something about this horrendous problem. It is a serious issue. We have talked to you about noise, property values, truck traffic and odors. There are residents there who are on oxygen, have developed respiratory problems and bloody noses. Even if these problems are not caused by the asphalt plants, it has to be exacerbating the situation. Our organization doesn't believe those asphalt plants are grandfathered. I live almost a mile away and can smell the asphalt at my house and the smell is choking the people who live in Westwood Estates. I ask the Town Council to vote for this proposed ordinance.

Lynn Thompson, Airport Road, stated that she has had two heart surgeries and cancer. She hopes that the environmental testing comes back fine, because there could be a dangerous and scary situation here.

John Porter, 26 Sandra Circle, also believes this is a serious situation in that he can't breathe, has a stuffy nose and his eyes are scratchy.

Charlotte Porter, 26 Sandra Circle uses an inhaler now. She reported that one of the truck drivers from the asphalt plant made an obscene gesture to her. She took his plate number and called the company, and the driver called several times to apologize. This is the type of company we are dealing with. My grandchildren cannot visit me, my quality of life is terrible and I have to stand here and beg you to help me.

Deborah Pagano, 27 Catalpa Way, said that it is sad that these people can't live with their ideals and sit outside and enjoy the day, not have to wait until 11:00 at night.

Ron Gizzarelli, 50 Harrington Road, sometimes extreme measures are necessary and it seems to me that the health and safety of the citizens trumps everything and puts you in a position where you shouldn't care about grandfather rights. He wonders if maybe these people are entitled to have their houses purchased by the asphalt plants.

John Assalone stated that there are ways to capture the odors being emitted from the plants. You don't get that smell in the Warwick or Providence plants. Something needs to be done legally about setting standards there.

President Cote responded that before the residents formed the CASE group, they came to the Town Council with a complaint about black, sticky mold. They asked us to have testing performed, we agreed and sent out an RFP. We received bids and took the low bidder, but the group was not satisfied with that organization. They wanted to hire a company with no connection to the State of Rhode Island or the Town of Coventry. We acquiesced to their opinion and agreed to go with the company they wanted because they had no association with the state or town. We paid the bill but do not have the results back yet. I feel we are being asked to punish a facility when we don't know that they are committing a crime. I know there are odors, but without the results from the company that did the testing, we are being asked to make a decision without all the pertinent information. I feel that our hands are tied at this point.

John Assalone feels there is other testing that can be done. They could at least dampen the stuff and keep the dust out of the air.

Ellen Wolfe, 15 Catalpa Way, we don't want to punish anyone, but want to regulate them. We need to give people back their quality of life.

Vice-President McGee advised that he works in construction and understands residents' aggravation. We can't just act on this until we get the results and find out if there is a serious problem. The business has to operate and by telling them that they can't be on the job until 7:00 a.m. is just helping to put them out of business. I am not in favor of telling them they can't begin work until 7 a.m. If we find there is an issue effecting health, we will address it.

Councilman Jendzejec remarked that this is an unregulated industry right now and we are trying to take a step forward to regulate it. It is a step by step process.

Marie Fisher, 84 Lear Drive, asked if there would be a fine for beginning work early. Councilman Jendzejec replied that there will be fines.

William Harsh, Esq., Post Road, Warwick, RI, represents CASE and asked to make two points: 1. The town government is still a party to the judgment that was put into place by Judge Proccacini. Right now there is question as to whether that judgment is being served. If this Town Council takes this small step of setting hours, there is a consistency between this and the agreement that you already have between Mr. Miozzi and Judge Proccacini 2. A comment was made regarding evidence. In a public hearing like this, the comments that are made by individuals do represent evidence. In addition to what you have heard, my office represents this group and we hear almost daily from people who are having problems and we can submit affidavits to the Town Council. I understand your reasoning with regard to punishing the asphalt plants, but Councilman Jendzejec is correct that this is more in the nature of reasonable regulation, which is normally in place by the town. In this area, the argument about grandfathering has gotten out of hand. With the Town Solicitor's opinion, that meant that the town's noise ordinance came into question, which led to what is regulating these activities. That began a series of questions as to what was regulating these activities.

There is some evidence to show that a cold patch plant was down there, but not a grouping of two asphalt plants with these capacities and this type of hot operation, plus a cement plant. I think there are some serious questions as to whether the argument people make to support the presence of businesses on that site is developing serious weakness. He commended Councilman Jendzejec for trying to do something straightforward.

Councilman Laboissonniere asked if the operators have appeared before Council and Councilman Jendzejec replied that meetings have been set up with the owners of the plants through Senator Raptakis and they backed out on both occasions.

Councilman Laboissonniere asked how this ordinance differs from the court order with Miozzi. Councilman Jendzejec replied that it keeps the hours of operation that the court order has and Manager Hoover added that the court order allows Mr. Miozzi's operation 30 times per year to operate past the hours, once they get approval from the police chief.

Chief Volpe agreed that it does give them 30 days per calendar year to operate with additional hours, with advance notification. They have been cited in the past, but for the most part were compliant when they were going to do this. My understanding was that Mr. Miozzi bid on Route 95 work, during evening hours, and the court allowed him to work nights on a limited basis.

Solicitor Tobin recalled that there was a suit brought by the town to enjoin the operation of the Miozzi plant. It went before Judge Proccacini and he ruled that they were

entitled to continue to operate at that particular site. As a result, there was a consent order put into place to define it. He wasn't granted the right to operate through the entire year whenever he wanted, but was limited to the number of days with advance notice to the Police Chief. I believe the number was 30 days. Now there is a second plant in there that is not subject to that particular consent order. These hours of operation will clearly work with regard to the second plant, and the first plant will be limited by the consent order.

Councilman Laboissonniere commented that this ordinance strictly addresses hours of operation and fines, but not air quality issues, and he asked when test results would be completed. President Cote responded that air quality falls under the regulation of the Department of Environmental Management guidelines. Every plant in the state is under DEM guidelines, licensing, permitting and regulations, which includes air quality. Manager Hoover added that approximately 25% of the samples have been done at this point, but don't know the exact date of completion.

Councilman Laboissonniere remarked that when Global was in operation on Colvintown Road, they put down calcium chloride to control the dust and Manager Hoover explained that comes under the guidelines and regulations of DEM. DEM is responsible by state law to control dust. DEM has been contacted by the group and we have received a response from Mr. Chopy of DEM on what they plan to do with regard to testing, etc. It is pretty thorough testing.

Ms. Duxbury commented that DEM's action plan did look very thorough. We were happy with it, but they did place a lot of reliance on the Sage Environmental study. Sage does not test the soil, water or air quality. Sage is testing anything that is dropping particulate matter. So we need to follow up with DEM to make sure they pick up where Sage has left off.

There are other asphalt plants where you can be standing right next them and don't smell a thing. We need good businesses that are clean and conscious of the rights of the taxpayers and residents. We don't need bad behaving businesses here. I recognize that Councilmen McGee and Cote are in that business and I recognize that you are sympathetic towards the plants because it does mean jobs, but these are not good businesses to have here, especially if located on top of a ground water reservoir that sits on and feeds into an aquifer that provides 20% of the drinking water in this town.

Nancy Sullivan, 6 White Oak, wants to focus on the most important thing, which is giving them hours of operation, so that we can sleep till 6:30 or 6:45. You don't live there, you don't smell the odors.

Steve McCaffrey, Lantern Lane, asked if anyone had spoken to OSHA. President Cote indicated that DEM is going to consult with OSHA as part of their action plan.

Councilman Jendzejec offered the following proposed amendments:

1. Within 153-4 A. insert the words "Monday through Friday" after the words "such operation"
2. Within the same paragraph, 153-4 A. insert the words "Saturdays from 5:00 P.M. and 7:00 A.M. It shall be unlawful for any asphalt or cement plant to operate on Sundays" after the words "7:00 PM and 7:00 A.M"
3. Within the same paragraph, insert the words "following a public hearing" after the words " Coventry Town Council " as it pertains to extended operating hours license".
4. In paragraph F., delete a fine of up to \$250.00, instead insert \$500.00; second offense delete \$500 and put in \$1,000.00; third lose license for one year.

Solicitor Tobin, at the end of Sub A, after the added language, the "Town Council may permit operation outside of normal permitted hours following a public hearing for a period not to exceed 10 days per calendar year and notification of the Town's Police Chief at least 72 hours in advance of said operation"

Paragraph C would omit the second sentence, that if license is granted, the applicant shall pay to the Town additional sum of \$1,000.

Councilman Laboissonniere is not prepared to move forward with loss of license on the third offense, but rather graduating fines, as this is strictly about the hours of operation.

He doesn't want to put anyone out of business.

Councilman McGee remarked that in the construction business if asphalt is not on the job by 7:00, it is not fair, the business cannot stay in business. The product has to be out on the job before that or you can't be competitive. It makes a big difference to the business whether it is 6 am or 7 am.

Councilman Jendzejec suggested going up to \$1,500 for the third and/or subsequent offense.

Councilwoman Carlson asked about fourth or fifth offenses and Solicitor Tobin explained that there can be a provision in the ordinance for a show cause hearing, having the operator come before the Council to show why the license shouldn't be suspended. That gives the Council the right to make the decision whether or not to suspend license.

Mr. Gizzarelli's understanding is that penalties should be a deterrent, not a punishment, so that businesses won't do it anymore. I think one penalty should be that they could lose their license for one year.

Zoning Officer Jacob Peabody suggested that perhaps upon a third offense, they would come before the Town Council and if there was loss of license, it would be between three months to one year. A year would put the guy out of business.

Councilman Jendzejec remarked that we are setting a foundation and this ordinance can always be amended.

A motion was made by Councilwoman Carlson seconded by Vice-President McGee to close public hearing. All voted aye.

Solicitor Tobin read amendments:

1. Amendment to Section A "all persons, partnerships or corporations which manufacture asphalt and/or asphalt products and/or cement and/or cement products within the limits of the town shall close such operation Monday through Friday between the hours of 7 p.m. and 7 a.m.; Saturdays 5 p.m. to 12 a.m. It shall be unlawful for any asphalt or cement plant to operate on Sundays.

Same paragraph, "unless a license for extended operating hours has been granted by the Coventry Town Council following a public hearing." The Town Council may permit operation outside of the above permitted hours following a public hearing for a period not to exceed 10 days per calendar year and notification of the Town's Police Chief at least 72 hours in advance of said operation. That would be the amendments to Section A.

In Section C you would delete the second sentence.

With regard to Section F, changing to \$250 to \$500; change \$500 to \$1,000 and up to \$1,500 for a third and/or subsequent offenses.

New to Section G. for a third offense, the Town Council may, at its option, require the operator of said plant to appear before them to show cause why its license should not be suspended.

Vice-President McGee would like to see the time changed in Section A to 6 a.m. He does not want to make it impossible for the companies to do business in this town.

President Cote thinks that by adopting this ordinance it opens us up to a lawsuit as we are singling out those manufacturers in the Town of Coventry. We don't tell General Road Trucking or Garland what shifts they can work and I think this opens the town up to a lawsuit if we adopt this ordinance. I know this industry and if they cannot begin to make heat before 7:00 am., it won't be long before their business is hurt. This is the first step in chasing business out of Coventry.

Councilman Laboissonniere added that maybe with an ordinance like this they will start to act like good neighbors.

A motion was made by Councilman Jendzejec seconded by Councilwoman Carlson to approve ordinance as amended. Vote taken: Three voted Aye; President Cote and Vice-President McGee vote No. Motion passes.

ORDINANCES

1. Amending the Ordinances of the Town of Coventry so as to limit the hours of operation of heavy equipment and/or machinery within the Town.

Motion made by Councilman Jendzejec seconded by Councilwoman Carlson to refer to Planning for recommendation. All voted aye.

PUBLIC COMMENT

John Assalone commented on the Central Coventry Fire District situation and that someone needs to tell Special Master Land that he needs to let the people speak. The judge should be made aware as to where the people of Coventry stand.

Ron Gizzarelli thanked the Town Council for taking the initiative with the \$300,000 loan to Central Coventry Fire. The health and safety of the public is much more important and this situation will all be resolved shortly. With regard to sewer assessments, many people around Tiogue Lake don't have that kind of money to tie in. There should be some way to help seniors or those with limited income to get connected to sewers. Lastly, Central Coventry Fire has asked for fire district parameters. I am looking for the map that divides the roads. I need to know which doors to knock on in order to run on the new Central Coventry Fire District board.

John Porter, Sandra Circle – We lived in Westwood Estates for about 15 years and then moved out. After I retired we moved back to Westwood, bought in November and were surprised in the spring this year. This is not the same neighborhood, sometimes my wife and I have to leave for the day.

Solicitor Tobin announced that tomorrow Judge Stern is going to give a decision as to duties and responsibilities of Board members of Central Coventry Fire District. When I get it I will make it available to everyone.

Motion was made by Vice-President McGee second by Councilwoman Carlson to adjourn meeting. All voted Aye.

Town Clerk