

TOWN COUNCIL MEETING
December 13, 2010

Budget workshop with School Committee

The Town Council met with the School Committee and administration to discuss the three year budget forecast. Ordinance No. 3-06-249 requires both the town and the school department to meet before December 31 of each year to discuss their revenue and expenditure forecasts for the next three fiscal years.

Superintendent Michael Convery and business office director Robin Reasor, presented budget projections for the School Department, focusing on FY 2012. Mr. Convery's presentation brought attention to the fact that the schools received \$41,580,728 for FY 2008/09, 2009/10 and 2010/11 from the town. There is a projected increase of \$1.2 million (2% contractual increase) on certified salaries and approximately \$600,000 in steps. Additionally, \$100,000 is being removed for attrition and retirements. There is an increase of \$967,431 in fringe benefits totaling 7.3%. These are the areas of most concern to the council and the public.

Ms. Reasor spoke about federal health care reform and how it is projected to affect the budget. Added costs to the school district are estimated at \$300,000. There are projected increases to transportation and a small increase in supplies.

On page four of presentation, increases are noted as follows:

- Contractual salary raise for certified staff (approx. \$660,677)
- Projected average step increases (Approx. \$600,000)
- Projected health care increases, inclusive of costs based upon most recent information in new Federal Health Care Reform, to go into effect for FY 2012 (Approx. \$300,000 increase)
- Increased costs to pension from 11.89% in FY 2011 to 13.23% in FY 2012 (Approx. \$600,000 increase)

The schools have received a waiver on the fire alarm system update until the end of August 2011; otherwise if not brought up to code, the high school will have to close. This issue will be discussed at a later date as part of the capital budget. The high school is safe, the alarm is functioning well, it just needs to be brought up to code.

Superintendent Convery added that the school department is seeking an increase of \$1,663,229 in revenue this coming year. If the funding formula is actually funded, there would be a state aid increase \$497,181.

Finance Director Ted Przybyla and Tax Assessor Pat Picard presented the town's budget forecast with regard to town valuations and revenue projections.

Mr. Przybyla noted that the statistical revaluation taking place will not generate any additional taxes. Ms. Picard described the process of the revaluation, and that it will update and redirect the values in town. With reductions in property values, the town will receive reduced tax revenue, estimating a 20% reduction in values.

Mr. Przybyla further stated since the town must take in the same amount of money, the tax levy would need to change in order that the town receives approximately the same as the previous year. Some homeowners could see their taxes go up, some stay the same and some go down. People will not understand why they are still paying the same amount in taxes, yet their values have gone down.

If we keep the same tax rate, based on the revised assessment, our tax levy will go down substantially, over \$10 million dollars. The levy cap assumes 3050 being applied. If you adjust the rate to achieve the same levy and assume no growth, you would have the same amount of levy; if you decide to increase the cap then you would be able to increase to the \$62 million.

Manager Hoover replied that if you don't increase the levy, then when we go into the final year of 3050 at 4%, you'll never recover the \$10 million that you would sacrifice this year.

Mr. Przybyla remarked that the rate is usually adjusted to achieve the same objective that you have in the current fiscal year. Then you make your decision as far as increasing the levy to absorb increases in the budget.

Discussion between Councilman Jendzejec and Ms. Picard regarding commercial values, the Centre of New England, when new businesses begin to be taxed.

President Cote asked if there is really nothing that this council can do to maintain taxes at the current level. Mr. Przybyla replied that under the revaluation you will not increase the taxes, you will generate the same amount, only the rate will go up, assuming there is no growth. The total collected by the community will not go up. Some properties will go up in value, some will go down. The total revenue pie to the town cannot change by a revaluation, if we assume no growth. But, even with the growth that Pat Picard is suggesting, it is minimal because you still have issues with your tax freeze.

Manager Hoover advised that if you increase the tax rate, the average tax would stay the same. The Tax Assessor will keep us updated. The schools are asking for \$1.6 million increase in funding.

Ms. Picard said if the motor vehicle exemption is reduced to \$500.00, you can probably generate another \$2.5 to \$2.7 million.

Councilman Spear commented that if we look at what the schools are asking for, combined with the expected shortage in revenue, we're in the hole over \$10 million. What would the increase in the tax rate have to be to recoup that \$10 million? Ms. Picard replied an increase of about 20% in the tax rate from \$15.46 to \$19.33.

Mr. Przybyla remarked that you would increase the rate to achieve the same revenue. Assuming everyone's property went down the same amount of money, in a perfect world, the revaluation would result in a 20% reduction in real estate values, you would adjust the rate to achieve the same tax revenue, and everyone would pay the same taxes. Simply put, the taxes are based on the rate times the value. If the value goes down, you have to increase the rate in order to get the same amount of money. The Town Council needs to consider where we are going as far as the reval and the retention of the levy that is currently being assessed to the taxpayers. We have to make some assumptions to the budget.

Manager Hoover stated that this is our first real discussion about the budget, and it shows us that the School Committee and the Town Council will have to make some serious revenue and expenditure decisions.

TOWN COUNCIL MEETING

Present: President Gary Cote, Vice-President Kerry McGee, Ted Jendzejec, Raymond Spear
Absent: Laura Flanagan

Town Manager Thomas Hoover
Town Solicitor Frederick G. Tobin

Pledge of Allegiance led by Town Sergeant
Invocation by Pastor Robert Auld of Summit Baptist Church
Review of Emergency Evacuation Plan

President's Comments

President Cote thanked department heads who came in on Saturday to provide a tour of town facilities and to help educate the Council on some of the needs facing the town and taxpayers. After touring the Police Department and Senior Center, President Cote urged people to take a tour of those buildings and see what a phenomenal job they do with what they have to work with. Parks and Recreation also had a great presentation, including all the projects they are currently working on. They also do a lot with a little. The Department of Public Works has major problems that have to be addressed. There are some very serious issues. Although the facility is acceptable and they make do with what they have, I wouldn't drive some of the equipment these men drive in order to keep you safe. There are holes in the floors, exhaust fumes coming into the cab; there is a 1986 loader with a rubber mat on the floor and no metal floor left. These are major problems that have to be addressed and can't be fixed overnight.

The people that work for us aren't the only people that need to make sacrifices. We need to also if we want to be able to allow them to continue provide the services that we are accustomed to. We all have to work together to accomplish that.

Approval of Town Council minutes

Motion made by Councilman Jendzejec seconded by Councilman McGee to approve Town Council minutes of November 22, November 29 and December 2, 2010. All voted Aye.

Proclamations

President Gary Cote presented certificates of recognition to former School Committee members Andrew Perra and Lisa Tomasso for their dedicated service to the Town of Coventry and the Coventry school system

CONSENT AGENDA

1. Renewal of Private Detective license for Robert Conover
2. Approval of tax abatements and additions for the month of November 2010
3. Resolution canceling Town Council meeting on December 27, 2010
4. Appointments to the Coventry Police Pension Board

Motion made by Ray Spear seconded by Ted Jendzejec to approve Items #1-3 and remove #4 to be discussed as a separate item. All voted aye.

Councilmember Spear believes that the term for the Finance Director on the Police Pension Board should expire in 2012 rather than 2011.

Motion made by Councilman Spear seconded by Councilman Jendzejec to change term expiration date to April 9, 2012 for the Finance Director's term. All voted aye.

Motion made by Councilman Spear seconded by Councilman Jendzejec to approve resolution with date change to April 9, 2012. All voted aye.

RESOLUTIONS

1. Appointing Probate Judge

Motion made by Kerry McGee seconded by Raymond Spear to appoint Jean Boulanger, Esq. to the position of Probate Judge. All voted Aye.

Judge Arthur Capaldi swore Judge Boulanger into office.

2. Confirming the appointment of Assistant Town Solicitors

Town Solicitor Frederick Tobin announced that Attorneys Patrick Sullivan, Christopher Pucino, Arthur M. Read II and David V. Iglizzi would be joining him as Assistant Town Solicitors.

Motion made by Ted Jendzejec seconded by Raymond Spear to approve resolution. All voted Aye.

3. Approval of the sale of a portion of the Coventry Greenway Bike Path to adjacent property owners Thomas and Marilyn Ricciotti of 303-305 Pulaski Street

Manager Hoover explained this parcel of land is 1,066 square feet adjacent to the greenway. It was discovered that the Ricciottis had been using Town land for their yard and driveway for quite some time. When the town learned of the encroachment, the Ricciottis removed their fence and shed. Now that the greenway is complete, it is clear that the town doesn't need all the land it owns in that area and the Ricciottis have requested that the Town sell them a portion of the land they once utilized. The proposal has been reviewed by Planning, Parks and Rec. and Town Manager, all of whom support this proposal. The Ricciottis are good neighbors; they take good care of their property and help with cleaning the greenway. If this is approved, we will sell the property for \$1,000.

Motion made by Councilman Jendzejec Ted seconded by Kerry McGee to approve resolution. All voted aye.

4. Resolution affirming the award of a contract to Tasca Ford for two trucks for the Department of Public Works

DPW superintendent, Dennis Smith, explained that this purchase of \$64,954 will be funded through impact fees. We are replacing two trucks that have to be taken off the road

because they can't pass inspection. However, Tasca Ford is not the lowest bidder, but the lowest bidder Chevrolet dealer didn't meet our specifications. We were not impressed with the Chevys, the truck transmission slipped, we spoke with our local transmission shop and he recommended the Ford. Overall, the Chevy did not meet the specifications we bid. Tasca is local, 15 minutes away. We drove the Ford and were impressed with its' ruggedness, visibility and handling with the snowplow.

Motion made by Councilman Spear seconded by Councilman Jendzejec Ted to approve award of contract to Tasca and not the low bidder, due to information contained in memo from Chuck Smith, DPW to Superintendent Dennis Smith dated 11/24/10, regarding the Chevy trucks not meeting our specifications. All voted aye.

5. Resolution affirming the award of a contract to Regent Electric to provide electrical renovations to Department of Human Services building at 572-582 Washington Street

Pat Shurtleff summarized the situation for the Council, explaining that the Town purchased the building for \$1.00. It will be used for the benefit of the community as a 24 hour supervised resource center for adolescents. It will be run by Northern RI Mental Health, an organization that has done a lot of work for Coventry, dealing with adolescents with mental health issues, adolescents who can't be maintained in the home until stabilized. Outpatient services for adolescents will be housed on the first floor. Recently we secured some funding from CDBG. The building needs a fire escape, but otherwise is in good shape. The electrical and fire alarm work will be paid for with CDBG money and federal funds. There will be no liability to the town.

Manager Hoover explained these are federal funds, no taxpayer money will be used. President Cote is concerned about liability to the town. Manager Hoover did have one concern regarding the bid, which was formulated by Robert Pizzi of Regent Electric since Mr. Pizzi is employed part-time as our electrical inspector. Regent Electric submitted the only bid, as well as wrote the specs. It has been determined by our former solicitor that Mr. Pizzi cannot inspect his own work and the work will be inspected by our own building official, Mr. Zaloudek. The legal opinion from EAPD indicates that the contract could be awarded to Regent Electric.

Manager Hoover urges passage of resolution. Motion made by Councilman Spear seconded by Councilman McGee to approve resolution. All voted aye.

6. Resolution affirming the award of a contract for construction, inspection and testing

Mr. Smith explained that a contract for inspection and testing is required of municipal, state and federal funded construction projects; in this case it applies to town roads on the federal aid system. This follows the guidelines of the federal program. Tonight I am asking that we hire this company; \$653,000 has been awarded to be put into sections of Pilgrim Avenue, Hill Street, Town Farm Road, Station Street and a sidewalk program in Wood Estates.

Motion made by Councilman McGee seconded by Councilman Spear to approve resolution. All voted Aye.

7. Approval of the Budget Schedule for the preparation and approval of the FY 2011-2012 budget

Motion made by Ted Jendzejec seconded by Kerry McGee to approve budget calendar resolution. All voted aye.

Renewal of Campground licenses

1. Camp Ayoho, McManus Road
2. Colwells Campground, 119 Peckham Lane
3. Hickory Ridge Campground, 584 Victory Highway

Manager Hoover advised that all inspections are complete and satisfy all requirements.

Councilman Spear objected and doesn't think the campgrounds should be used for campers moving in for the winter. One of the campgrounds has five residents and the other has six. I would be interested in knowing how much traffic we have had in and out of there these past couple of winters. I also think there should not be permanent residents in the campgrounds since that would mean they are subject to their rights, their education and everything else.

Councilman Jendzejec remarked that the zoning officer has reported all campgrounds are in compliance and therefore made a motion to approve license renewals. Motion was seconded by Councilman McGee. Vote taken 3-1 (Mr. Spear opposed). Motion passes.

Councilman Spear stated he was not of anything in that ordinance stating that they can have year round occupancy. Planner Paul Sprague responded that the ordinance was amended in 2008, providing for 20% year round occupancy.

Vote taken 3 in favor, 1 opposed (Mr. Spear opposed). Motion passes.

PUBLIC HEARINGS

1. Transfer of Class B Liquor license with Liveshow entertainment from Crompton Liquor Holdings, dba Come Along Inn, 402 Washington Street to MRL, LLC, dba Come Along Inn

Police, Zoning and Building Inspection have reviewed application and have no concerns. However, the Anthony Fire Dept. and Board of Health still have to do inspections and good standing letters are pending. Since this facility is not operating currently, the license will not be issued until these matters are taken care of.

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

Applicant Ryan Mulholland was present and sworn in by the clerk.

Mr. Mulholland explained that this transfer is a new company, currently owned by his stepfather. We are in the process of renovating, installing new carpet, paint and getting quotes on a fire alarm system.

President Cote reminded Mr. Mulholland that if this license is approved, it won't be issued until all these loose ends are dealt with. Motion made by Councilman Spear seconded by Councilman Jendzejec to close public hearing. All voted Aye.

Motion by Councilman Jendzejec seconded by Councilman McGee to approve license transfer subject to approval of the Board of Health, a good standing letter from the Division of Taxation, and fire department approvals. All voted Aye.

2. New Class B liquor license for Airport Road Development, Inc., 1650 Nooseneck Hill Road (previously Half Moon)

Manager Hoover advised Council that this is a new liquor license applied for by Airport Road Development, Inc., 1650 Nooseneck Hill Road. The zoning and building officials and the Police Department have no concerns with regard to licensing. The Corporation is in good standing with the State of RI, but does need Board of Health approval and a good standing letter from the State Division of Taxation, a food manager certificate and proof of alcohol server training before issuance.

Motion made by Councilman Spear seconded by Councilman Jendzejec to open public hearing. All voted Aye.

John Assalone of Airport Road Development was sworn by Clerk and testified that this will be a full service restaurant, although at this point, he isn't sure whether he will run it himself or have someone come in and run it. If someone else comes in, he will file a transfer in a few weeks. Either way, he will be in charge of the business. There are several interested people. It will be an upscale restaurant, along the lines of what was in there.

Jan Jendzejec, Plainfield Pike, was sworn by the Clerk and asked Mr. Assalone to clarify his plans.

Mr. Assalone reiterated that he wants to get the restaurant up and running. There are three qualified people ready to go in there, or he may just run it himself as he has always wanted to run a restaurant.

Motion made by Councilman Spear seconded by Councilman Jendzejec to close public hearing. All voted aye.

Motion made by Councilman Spear seconded by Councilman Jendzejec to approve new license for Airport Road Development subject to approvals by Board of Health, receipt of good standing letter from Division of Taxation, a food manager certificate and proof of alcohol server training. All voted Aye.

3. Abandonment of a portion of John Franklin Road

Paul Sprague provided history, that an application was filed in 2003 for a proposed development per the low income housing act. The petition requested development of 95 homes in a cluster development. This was denied by the Zoning Board and appealed to the State Housing Appeal Board. They overturned the decision of the Zoning Board so the Town appealed to Supreme Court. Supreme Court remanded to mediation. The mediator developed a consent judgment, executed by the developer and Town Solicitor, providing for 75 homes with one low income house.

At this juncture, the only matter before the Council is the developer's request to abandon the unimproved section of John Franklin Road which is located within their property. The abandonment does not relate to offsite abandonment of any portion of the way.

The Planning Commission has recommended abandonment that falls within the confines of the developer's property.

President Cote clarified that the only portion of John Franklin Road that the developer is requesting abandonment of is the portion that falls within the boundaries of the land that he owns.

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

Attorney Sanford Resnick, representing the petitioner, stated that this abandonment is for a limited purpose which is to abandon within our own subdivision. We are here because of a Consent Decree from 2004. There is specific language with a provision on Page 2, second paragraph 3(a), where the agreement states that John Franklin Road be abandoned and that the town and the developer cooperate with each other; that John Franklin would not be developed to the south, and in the future after the subdivision is improved, it alludes to the fact that the Town Council shall abandon John Franklin to the south. He further stated that the only item that is on this agenda today is abandoning that portion of the road which is within our own subdivision.

President Cote clarified that we are basically just approving what the Consent Agreement already approved.

Motion made by Councilman Spear seconded by Councilman McGee to close public hearing. All voted Aye.

Motion made by Councilman McGee approved by Councilman Jendzejec to approve petition for abandonment. All voted Aye.

PUBLIC COMMENT

Robert DiPadua, 62 Laurel Avenue, asked for a status update on the Laurel Avenue Bridge.

President Cote responded that RIDOT predicts January 2012 before bridge is completed. During this time, Anthony Fire District has automatic mutual aid agreements with surrounding districts. Manager Hoover added that RIDOT is in the bidding process. Once a bid is awarded, then the design and build process begins with a projection at the end of January 2011.

President Cote stated that

Ron Gizarelli, 50 Harrington Road, would like to see improvements to the sound system.

Motion by Councilman Jendzejec seconded by Councilman McGee to recess into Executive Session. Vote taken: Councilman Spear – aye; Vice-President McGee – aye; Councilman Jendzejec – aye; President Cote – aye. Roll call vote unanimous.

EXECUTIVE SESSION

R.I.G.L. 42-46-5 (a) (2)

1. For the purpose of discussing litigation
2. Collective Bargaining

There being no further business to come before the meeting, a motion was made by Councilman Spear seconded by Councilman McGee to return to regular session and seal minutes of Executive session. Vote taken: Councilman Spear – aye; Vice-President McGee – aye; Councilman Jendzejec – aye; President Cote – aye. Roll call vote unanimous.

Motion made by Councilman Spear seconded by Councilman Jendzejec to adjourn. All voted aye. Executive Session adjourned at 10:30 p.m.

Regular session of the council was adjourned at 10:32 p.m.

Town Clerk