

DEPARTMENT OF CITY CLERK

CITY HALL

MAY 3, 1993

The Committee on Finance meets this day at 5:00 o'clock P.M., in Committee Room "A", City Clerk's Department, City Hall.

PRESENT: Chairman Dillon, Councilman Glavin, Councilwoman Fargnoli and Councilman Fenton.

ABSENT: Councilman Igliazzi.

(Subsequently Councilman Igliazzi joins the Committee).

Also present are Stephen Woerner, City Internal Auditor, Patricia McLaughlin, Deputy City Solicitor, John Palmieri, Acting Director of Planning and Development, Mark Merlino, Planning and Development, Boyce Spinelli, Finance Director, Alex Prignano, Budget Officer, Councilwoman DiRuzzo, Councilwoman Williams, Councilwoman Nolan, Councilman Lombardi and Claire Brooke-Stewart, Assistant Clerk.

PENDING MATTERS:

AN ORDINANCE IN AMENDMENT OF CHAPTER 1992-31 APPROVED AUGUST 7, 1992, ENTITLED "AN ORDINANCE ESTABLISHING A COMPENSATION PLAN FOR THE CITY OF PROVIDENCE AND REPEALING ORDINANCE CHAPTER 1991-24 APPROVED JULY 24, 1991, AS AMENDED".

AN ORDINANCE IN AMENDMENT OF CHAPTER 1992-32, AS APPROVED AUGUST 7, 1992, ENTITLED "AN ORDINANCE ESTABLISHING THE CLASSES OF POSITIONS, THE MAXIMUM NUMBER OF EMPLOYEES AND THE NUMBER OF EMPLOYEES IN CERTAIN CLASSES IN THE CITY DEPARTMENTS AND REPEALING ORDINANCE CHAPTER 1991-25 APPROVED JULY 24, 1991, AS AMENDED".

CHAIRMAN DILLON: Under pending matters, the first thing is the reorganization of the Planning Department. Mr. Palmieri had not had an opportunity to come down before.

COUNCILMAN GLAVIN: Can we make this contingent upon the expansion of the Community Development Block Grant.

MR. PALMIERI: We are getting a little bit more money this year.

At this time Councilman Igliazzi joins the Committee.

MR. PALMIERI: Mr. Chairman, in January of 1991, the Department requested permission to reorganize in order to effectuate certain economies and to improve the production of the department. You are all pretty familiar with what had occurred over a year ago, 2 years ago. At that time we had discussed the prospect of coming back for the second phase and I am here today to request in accordance with the transmittal that you have received, that the Council and this Committee allow us to further

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reorganize by creating two new posts. Both Assistant Deputy Directors within the Department of Planning and Development. The memorandum accompanying the Ordinance language is fairly self-explanatory. We are interested in improving the kind of ---- that we do and the Mayor has made it clear to us that over the next few years additional demands will be placed on us. The agenda is an aggressive one. We are hopeful that by improving the top tier management in the department that we would be able to a better job in dealing with community needs and in responding effectively to the demands that are placed on us to get the job done. We are presently, as you know, serving as kind of a liaison to the Providence Plan. The Providence Plan Housing Corporation, the Providence Plan itself.

CHAIRMAN DILLON: You are not talking about the Housing?

MR. PALMIERI: No. the Providence Plan itself has a few key staff people working for it to try to move forward with the development of the strategy in dealing with a number of initiatives and improvements that the Mayor has asked the Plan to consider accepting. We will be serving as staff to the Providence Plan. Additionally, we work in a collaborative way with the Providence Plan Housing Corporation. You are all familiar with the role of the Providence Plan Housing Corporation. That entity will be responsible for developing strategies and in implementing a number of housing development projects throughout the city. We, however, will be responsible for working with them to the extent that we provide the 108 program --- that the Council approved and in monitoring and supervising certain elements of the work that they carry out because we are obligated. We are the applicant who applied to receive the funds for distribution to the corporation. Moreover, the city is presently working to do more within the neighborhoods and not only within that housing thing but within the neighborhood commercial district. The Mayor wants us to be very active in discipline in developing a program geared to improving conditions within the business districts in various neighborhoods. We have been asked to develop a strategy that will allow us to develop a liaison program sending people out to meet with the neighborhood business district enabling them to establish

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a business association where they don't exist and developing a strategy sweep of those districts and implementation plans. These are things that we have historically done but we are viewing developing under a more contented approach to have them done presently. As a result of those various initiatives and new programs, I am requesting that this Council allow us to reorganize and create two Assistant Deputy Directors. Presently, just for your information and then I will open it up for questions, presently we have a Directors post and a Deputy Directors post and then five Associate Directors in charge of the line divisions of the department. The request is that we maintain the Director and Deputy Directors post and establish as well, two Assistant Deputy Directors. One in charge of planning and policy formulation and one in charge of neighborhood relations and budget management division. In the past three years we have been without an divisional director for project management and we are --- committed to providing and improving the supervisory roll of the individual who would be responsible for carrying out those project management directors and in light of the request we are looking to create two positions. The salaries are included within the Ordinance and I would address your attention to the Ordinance which is included.

COUNCILMAN GLAVIN: It's all a different setup.

MR. PALMIERI: Yes but the real difference is the creation of two Assistant Deputy Directors. We could do it within our present budget but it would represent a small increase in our operating budget that we have requested for next year although we haven't seen the document that was submitted to the Mayor ---- from the Finance Department. We are looking to inaugurate this immediately.

COUNCILMAN GLAVIN: The budget takes effect in two months. What is the urgency here?

MR. PALMIERI: We have been kind of struggling with this issue now, Councilman, for about three or four months and we would like to get it started. We do have funding within our present budget. We are not requesting that an additional allocation be made available for us to do this. We can do it within our present

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budget without requesting additional financial support and as a result of the two vacancies and unfilled positions, we have money within that operating personnel element our budget could do this so we really don't see it as a problem to get started immediately and to carry over into the next fiscal year.

COUNCILMAN FENTON: There is a host of problems from my perspective of this proposal. First being that last time when we gave deference to then Director VanLeesten on the reorganization, he said that he wouldn't come back with any further reorganization without making some reductions in the overall budget of the department. Certainly, I believe stated for the record and we could always get out that, that there would be sizable reductions that he thought that were inefficiency of the department and if he was thriving to see significant number of people retire over that year and that he wouldn't come back to us with any other upper management proposal until something has been done about what appears to everyone being a bloated department. There is 70 something people there and I think I stated then, it seems like five people do all the work and now that I have been here another year it seems like it is the same five people maybe add on one or two more and it does seem a bit of a conflict when we are in the midst of this so called financial colossal disaster to be creating more upper epsilon people without making any savings and in fact, this is going to cost the city money because you can't double count these things and you are talking about deleting a vacant \$21,000.00 a year job and a vacant \$38,000.00 a year job while the administration is also using that to balance the budget on the other side as one of the positions that are already vacant. Additionally, it is more than just the \$53,000.00. Another position is being up graded and the Deputy Director's positions is being up graded. It seems to me that this is really absurd at this time and especially looking over what the overview and the rational is for. The Providence Plan is already well staffed. The Housing Corporation has 10, 11 people there. They have a Director that is paid, \$70,000.00 or \$80,000.00. The Providence Plan Corporation has a Director being paid \$70,000.00 or \$80,000.00.

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COUNCILMAN GLAVIN: What is the ----- salary ----.

MR. PALMIERI: His salary is \$75,000.00, if I am not mistaken, Councilman.

COUNCILMAN GLAVIN: I thought it was close to \$90,000.00.

COUNCILWOMAN FARGNOLI: With fringes.

COUNCILMAN IGLIOZZI: I just have a couple of questions. I know that you are in a difficult situation right now being Acting Director. If you were appointed permanent Director, would you still need these positions to carry the work load or is this because you have both the duties of the Director and although Tom is Acting Deputy Director or has Tom actually been giving the Deputy Director?

COUNCILMAN GLAVIN: Is he being paid at this rate?

MR. PALMIERI: Yes. Tom and I are being paid as Acting Director and Acting Deputy Director.

COUNCILMAN IGLIOZZI: Let's assume you were appointed Director permanently, would you be making this request to satisfy what you determine to be a leader or is this request being made strictly because right now you are Acting Director, Tom is Acting Deputy Director, there is nobody in Planning. Is that is what is happening here?

MR. PALMIERI: That is a fair question Councilman. It is tough to speculate. When this reorganization plan, Phase II was prepared, I guess implicit is the understanding that at some point in time the Mayor will appoint a Director and there will be a Deputy, two Assistant Directors and so we created this reorganization plan in acknowledging before hand the fact that we will ultimately be completely staffed up so the argument that we would make is that because of increased responsibilities and a very aggressive program that the Mayor has announced through the Providence Plan and I don't take lightly the comments that Councilman Fenton has made. The Providence Plan Housing Corporation is not a fully staffed, I believe there is 16 people now working at PPHC, nevertheless, we have been required to increase the kind of supervisory monitoring roll that we play because of this 8 million dollar 108 development budget that has been approved. We are responsible for overseeing that program,

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monitoring all activities and making sure that the 108 funding at the Housing Corporation receives as administered, is in fact administered in a way that complies with fund regulations. The PPHC staff is really ---- to do technical work. There are many people there who are familiar with the ----- governing the administration of the program. It is our responsibility to make sure that that oversight is accomplished so there has been a greater demand placed on us more over we get as well in implementing on behalf of the Providence Plan, the Housing Corporation, the Plan Corporation --- the first element ---- that there are now several programs that are being administered through the Housing Corporation's --- programs that they manage. We have been doing the ---- and there has been a demand in programming that there are several hundred applicants, there will a thousand or more by the end of this year end. There are truly demands placed on us that did not exist a year ago. We are trying to develop strategies for the business districts. We are trying to put together redevelopment plans, kind of smaller strategic plans that we can develop better achievable and that needs some funding that we are working on but that again, creates a stressful environment for the staff within the department. We are doing much more outreach than we have ever done before in dealing with neighborhood communities groups and business associations groups and so the cost of these demands and the agenda that has been established by the Council and the Mayor we determine that we need some assistance at the top to do that oversight to be out there in the neighborhoods, to report to the Council, to make it more bearable for the Director and Deputy who are providing a number of services and reporting upon a number of levels to the community. As you know, in this respective, we ---- consolidated as a department. They were three separate entities. We now service as a super department and we service several boards and commissions and there are some very serious demands to be placed on us to represent the needs of the neighborhoods and so for that reason I ask that you consider this. We again are not asking for additional funding and we are prepared, Mark Merlino is here with me assisting and can answer any questions about budgeting facts

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for next year and any personnel questions that you might have. We certainly understand that Josh Fenton made reference to the fact that Mike VanLeesten had discussed a year, two years ago, a commitment to cutting back. I was here when he made those comments. Over the past five years, we probably eliminated 15 to 20 positions in the last few years within the department.

COUNCILMAN FENTON: How many since the last reorganization?

MR. PALMIERI: I don't know. Mark may have that answer. But when Mike made those comments, I know that one of the things we were hoping the Council was going to do and the city is to provide an incentive program for employees within city government and our department who had 20 plus years of service and were interested in retiring that needed that incentive. I think that it was really stated within that context, we were considering a number of programs in hoping that the city was going to be prepared to offer incentives to retirement incentive programs for employees city wide so, of course, we were hopeful that maybe some of the longer term employees would have taken advantage of it but it never happened.

COUNCILWOMAN FARGNOLI: In creating this Assistant Deputy Director, which is the one directly involved to make sure that what work is being done in the neighborhoods is properly done and followed through to see that it is fully approved and recognized according to plan. Who is that person and is that the job that you are creating?

MR. PALMIERI: The Assistant Deputy Director in charge of project management in neighborhood relations would be that individual, that direct contact.

COUNCILWOMAN FARGNOLI: Who is that person?

MR. PALMIERI: Everyone here knows that Thomas Rossi has served as a candidate for the person.

COUNCILWOMAN FARGNOLI: That one in particular because you have two Deputy positions.

MR. PALMIERI: Yes, one of them would be created for Tom Deller. Tom Deller is presently serving as Acting Deputy but he was the Associate Director before accepting this post and his responsibility within this new scenario would be to accept

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responsibility for planning and policy issues. If Tom Rossi in fact were to be given the job as the other Assistant Deputy Director, his responsibility would be to deal with community relations, neighborhood projects, infrastructure type of improvements so that is the roll and responsibility of that Assistant Deputy Director.

COUNCILWOMAN FARGNOLI: You do need a person in place to check the quality of the work.

MR. PALMIERI: I understand.

COUNCILWOMAN FARGNOLI: But I have a problem with the types of completions that you have had in the past and I certainly ----- . All these reorganizations supposedly should make the system work better.

MR. PALMIERI: I understand.

COUNCILWOMAN FARGNOLI: I have problems because last years program hasn't been completed.

MR. PALMIERI: It is not finished.

COUNCILWOMAN FARGNOLI: Why does it take so long?

MR. PALMIERI: We had a few ---- items that will be completed when the project commences in about three weeks. We understand that the project is not being sufficiently completed but I would say this Councilwoman, that I have dealt now with a few dozen projects since I began working for the city, 8 years ago, it is very common to have a contractor complete a job and have various items that have to be corrected before we will make final payment and we expect to follow that same practice with Chalkstone. There are some grates that have to be resurfaced, trees that have died, we have sub-contractors that are under contract with us and they have guaranteed us that the work will be corrected so this proves here that we are going to be laying out the final piece of the contract within two or three weeks and those improvements will be completed. Believe me, we won't let them remain in an incomplete shape.

COUNCILWOMAN FARGNOLI: It is that track record that I would like to see improved upon and if we can't do that then all the money that we are putting into these projects isn't going to be worth a dime.

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MR. PALMIERI: It should get better. I have complete respect of Tom Rossi, I know that some of you support Tom's candidacy for the post, others have problems with him. I would just say that Tom has worked for the city now for 15 years or more. he is familiar with the neighborhoods. He served as a State Legislature. He holds a degree from URI an MBA and he is working on his MPA.

COUNCILMAN FENTON: Does he have a degree in Planning?

MR. PALMIERI: Not in Planning.

COUNCILMAN FENTON: Do you have a degree in Planning?

MR. PALMIERI: No. I have a Masters of -----.

COUNCILWOMAN FARGNOLI: How is he on follow through?

MR. PALMIERI: Tom worked for the Department, Councilwoman.

COUNCILWOMAN FARGNOLI: It is not Tom....

MR. PALMIERI: But whomever gets the job has to be responsible to the Council and to the Mayor and to the Director to get the job done. That is absolutely implicit.

COUNCILWOMAN FARGNOLI: To have the job done properly and within time and within budget.

MR. PALMIERI: Tom worked for the Housing Division. He is familiar with real estate development.

COUNCILMAN GLAVIN: I don't want to ----- on the candidacy, that will certainly use all do discretion. We care about making our choice. My concern, quite simply is doing this now. I would feel much more comfortable, I am not even going to get into the merits of the addition of more management staff in your department of which ---- sound critical in the past but my concern is why do it now when we are going to be adopting a new budget in about 6 to 8 weeks maximum and I would like to consider this as we would any departmental request given the consideration that we just had the budget given to us last Friday evening and I think it is pretty strong sentiment that the budget has a lot of question marks attached to it. At the minimum with the potential increase of \$25,000.00 in your budget ---- fiscal year 1994, in looking at the ambiguity, if you will, of some of the revenue projections, --- certainly ----- ambiguous about how they are going to come through, I would much rather consider this as part of your

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departmental request, allow the General Assembly to go through its normal, I am not saying I am for or against it. The General Assembly, if they don't come through with a lot of money, there is going to be a lot of changes in the budget, let me tell you right now. ---- per se is going to be to a very substantial degree dependent upon what happens in the General Assembly and if the General Assembly is not successful in generating the 10's of millions that we need then I think consideration of this is in order and, you know, what we would probably ask you to do is to rework your budget to at least bring us in at last years budget, not with an increase of \$25,000.00 and then at that time we can really get into the merits. There are a lot of things happening in the neighborhood, I can state that categorically because there are some things that are taking place in Smith Hill, to your credit and the Mayor's credit ----- very hard to reestablish the Businessmen's Association up there that hasn't been in effect for about 10 years. There is some generally renewed interest in trying to improve the neighborhood and I support that and I do think there are some things taking place in the neighborhood that possibly, and I am not making a total commitment to this position, but could possibly merit a position that should be an Assistant Deputy Director, I don't know --- but there are things going on in the neighborhoods that definitely need some help. I think right now, I would just assume wait until we look at the whole budget incidentally. That is just my personal opinion.

COUNCILMAN FENTON: I take this reorganization as no reflection of you but I will side with Councilman Glavin in that I think we should wait and take it up with the budget but I think this is one of the worst proposals we have ever had. There is no other department that under any way shape or form you can legitimately argue that the number of projects and the amount of money they oversee they are not staffed to do it. If you can compare it to other cities and towns and how many projects they have, other cities in the North East, other departments of state government or any other factor, this is not a staff level that is insufficient to oversee the amount of money that they are dealing with and the number of projects. It is just absolutely incorrect

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and this seems to be and appears to be and smells like a make shift job at an inappropriate time, at an inappropriate level.

COUNCILMAN IGLIOZZI: I would just like to say that when I first came on the Council I was very frustrated with the Department of Planning and it wasn't until I actually developed a personal relationship with John and Tom Deller and basically made it part of my daily routine to call the Department of Planning on a daily basis, not that things weren't being done but to just get the information that I needed and just a simple example, a building that took two and half years to be knocked down had a whole hosts of things that prevented it from being knocked down and demolished sooner that had nothing to do with the inefficiency of the Department of Planning so to the Department of Planning's credit, I want to say that when they do work on a project, they do it very, very well. Again, the only question I have is whether John, if he was made Director, would still be recommending a reorganization in this fashion or is just because he is so over worked right now and basically being he is the Director, he is the Assistant Director and then Tom is the Planner and he is the Deputy Director so I think with all that going on. I think we all made a personal commitment to Tom Deller when Tom Deller did not go with the foundation but I do have some problem with the fact that, I put this Ordinance in. I didn't know this was going to be the form statement, but with Tom Deller's request when I thought we were going to lose Tom Deller, I certainly said that I would support and I said that he should ask each Council person for their support and he reported back to me that he had everybodies support, that may not be true but he indicated that he had everybodies support to prevent him from leaving the city which I thought would have been an awful loss at the city's expense just as if, I think that if John Palmieri's position is not solidified in some fashion, it would be an awful loss to the city. My only questions is whether John Palmieri, in my opinion, as the Director of the Department of Planning, would be recommending this reorganization and if we have a problem with the candidate, that name has bounced up around, that is a different issue. If we get into the personalities, let's deal with the merits of the

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reorganization and if we don't feel it is right then I don't have any problems with that but I think we should take into consideration that we have put Tom Deller in a position, that he has refused the other offer and I think we are duty bound responsibility to Tom Deller and I think we have a responsibility to John, Acting Director. This other issue of whether Tom Rossi, again, everybody keeps on throwing his name around, to me is not the issue.

COUNCILWOMAN FARGNOLI: He is very capable and has been in the Department previously.

COUNCILMAN IGLIOZZI: I am just saying that is not an issue with me at all. It is strictly let's satisfy an obligation, our commitment to Tom Deller, let's satisfy an obligation to John Palmieri. John, if we hold this off during the budget process, do you at this point cause you any great hardships?

MR. PALMIERI: I think that we would understand. I certainly appreciate and understand the terrible burden with the Council and this Committee, I really do. At the same time, and again ----- roughly 3 months we have been working on it and I have presented in good faith and we believe we can do it, we know we can do it within budget this year with a modest increase next year and I believe that it is warranted and I would ask for your support. That is all I would like to say.

COUNCILMAN IGLIOZZI: I just want to again make a comment in defense of the Department. I think it has really come a long way since I have been on the Council.

COUNCILMAN FENTON: My remarks aren't in any way referendum on the Department, it is on this proposal.

COUNCILWOMAN NOLAN: I would just like to say that I agree with Councilman Igliazzi. We don't always agree about the same thing but I think in this case I agree with him. We managed to keep Tom Deller on board and I think all of us realize what it would have meant if we had lost Tom Deller and in my dealings with Planning and Development, Tom and John Palmieri have always been very supportive of my neighborhood and in answering any questions. I don't have any large redevelopment projects going on, some day I hope to but in any event, he has always been responsible and

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personally, I hope that he will become the Director of the Department because I think he does an excellent job and as far as the restructuring, I am in favor of it.

COUNCILMAN LOMBARDI: I am sorry I came in late. Are you going to be supervising Providence Plan under this?

MR. PALMIERI: We don't supervise. There is a staff, it is a very small staff and we will be working to provide technical support staff.

COUNCILWOMAN FARGNOLI: There is a reason why I am talking about maintenance, follow through, a successful process in making sure that each project is up to snuff is because this Providence Plan has to work. This Providence Plan has to work and the future of the city realize on the corporation between this Department of Planning and the Providence Plan in making sure that every project is worth every dime that we put into it so that I certainly support John and Tom Deller and even Tom Rossi because they have always been up front and capable individuals within the department. The restructuring I have no problems with. I have problems with the process and how successful it will be in completion.

CHAIRMAN DILLON: My own comments that I wanted to add is that I spoke with Mr. Deller at the time that he was contemplating leaving the city and so I certainly have a commitment to changing his pay to reflect.....

COUNCILMAN IGLIOZZI: That is what I was told. I just want that on the table. The way it was approached it was a new position. It was a new position to keep in the city.

COUNCILWOMAN FARGNOLI: And more responsibility too, isn't it?

MR. PALMIERI: Absolutely.

COUNCILMAN IGLIOZZI: It wasn't going to be a raise it was going to be a new position.

CHAIRMAN DILLON: And not to do that I don't think is honorable.

COUNCILMAN FENTON: Do you want to take that up or why don't we continue the whole thing.

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COUNCILMAN GLAVIN: Do you want to take up adding one Assistant Deputy Director?

COUNCILMAN FENTON: ----- understanding if we wait until the fiscal year?

MR. PALMIERI: ---- Tom is being personal player.

COUNCILMAN FENTON: So there is not. There is only technicality. I would have no objections --- consensus on the Finance Committee to rectify that at the appropriate time.

COUNCILWOMAN FARGNOLI: You have no objection to continuance?

MR. PALMIERI: I recognize the stress that exists for this body and I understand that we are under great difficult times with the budget. We didn't create this in a vacuum. We did it in recognition of a lot of the kinds of issues and concerns and the fiscal crisis that looms large. I would like to say that I can certainly recognize your concern, at the same time, I would only like to complete my remark by asking that you seriously consider taking action immediately to approve the reorganization plan that is submitted.

COUNCILMAN GLAVIN: I am going to second Josh's motion to continue only because of the fact that I support the other comments made about Tom Deller. I am glad he chose to stay. I support his being paid at what will be a newly created position. I think he deserves it but I still think the jury is out on the second position. Like I said, I haven't been into the merits of it, I really and truly believe the creation of a new \$53,000.00 position, a second \$53,000.00 position, I would feel more comfortable, individually, to go through the normal budget process which we are going to start and the schedule is right here, in a matter of a week or two and I would feel much more comfortable doing it that way and let the developments of the General Assembly take their course so we can see where we are going and if the fiscal ---- that the administration is hoping for becomes a reality, I think everyone would feel a lot better about the possibility of creating another Assistant Directorship but if not and we are faced with some real tough choices down here, I think the attitude of all the Council is going to change dramatically. I think we should allow ourselves that flexibility especially

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seeing.....

COUNCILMAN IGLIOZZI: Not to Tom you are saying. Not with regard to Tom?

COUNCILMAN GLAVIN: Not at all. I think there is a commitment made and I will go on record right now with supporting the creation of at least one of these. The second one is the one I think deserves some questioning and seeing that Tom is being paid at what will eventually be created a new position within 6 weeks, I see nothing wrong with continuing unless you want to amend this and just create one of them. I don't see any sense in doing that because we have to go through the whole department any way. It doesn't make a lot of sense to me. He is being paid. I would think it makes a lot more sense to continue it until we make a final decision on their budget as well as the City's budget. I just think it is a little more prudent.

COUNCILWOMAN FARGNOLI: If we approve this restructuring at budget time, we could still make recommendation for the elimination of other positions so that they would meet their budget.

COUNCILMAN GLAVIN: We may end up having to do that. We may have to do that ----- and that is my concern because of the revenue projections, that I think again, there is some serious question on it.

On motion of Councilman Fenton, seconded by Councilman Glavin, it is voted to Continue the foregoing Ordinances.

CHAIRMAN DILLON: All those in favor? "Aye". Opposed?

COUNCILWOMAN FARGNOLI: I am not voting on that. I move passage.

COUNCILMAN IGLIOZZI: I just want to demonstrate my support for Tom Deller.

COUNCILMAN GLAVIN: Why don't you demonstrate your support by moving to amend this Ordinance and deleting one of the Administrative Assistants. We can do that. I will support that.

MR. PALMIERI: I request that we postpone.

CHAIRMAN DILLON: Given the choice of having us amend this Ordinance now and continuing it?

MR. PALMIERI: Continue it.

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COUNCILMAN FENTON: It already passed.

CHAIRMAN DILLON: There were two votes to continue.

COUNCILMAN FENTON: That is a majority. Three people didn't vote, 2-0.

CHAIRMAN DILLON: I was going to ask for a division vote.

COUNCILMAN GLAVIN: I think what David is looking to do is to show a reclamation of Tom Deller.

COUNCILMAN FENTON: I think everybody said that and he is getting paid at it.

COUNCILMAN GLAVIN: I will make a motion that we amend this Ordinance to delete one Assistant Deputy Director/Neighborhood Relations.

COUNCILMAN FENTON: You would rather see us delay the whole thing, is that correct? I will restate the motion. I move to Continue the Ordinance.

On motion of Councilman Fenton, seconded by Councilman Glavin, it is voted to Continue the foregoing Ordinances.

CHAIRMAN DILLON: All those in favor? "Aye". Those opposed? Motion carries.

The next item we have, we got the bids in from Alan Sepe on the Schools. These are all the low bidders for the expansion of the schools. The Resolution that we approved provided that these would come to us.

MR. WOERNER: There was one low bidder for each of the projects.

COUNCILMAN GLAVIN: Do you have a copy of that?

MR. WOERNER: No. I saw them. It was a concern by the Director of Public Property that the one contractor who has had problems with the state and other municipalities completing work in a timely and efficient manner. He wouldn't be able to get the work done. He checked with the Law Department.

COUNCILMAN GLAVIN: Who was the contractor?

MR. WOERNER: PROMAC. What the Director did is he cut each job into a separate specific job with the contract and with the Law Department. The Law Department was of the opinion that you have to award to the lowest bidder.

COUNCILMAN GLAVIN: The lowest responsible bidder.

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MR. WOERNER: Responsible bidder. The question responsibility would require a challenge if we didn't give it to him because he has done quite a few jobs. What they have done is they have broken down every job into a specific ----.

COUNCILMAN GLAVIN: In the advertisement, it always states that the city has the right to reject any and all bidders.

MR. WOERNER: Where is the Solicitor on this?

COUNCILMAN GLAVIN: We don't just have to give it to someone because they are the low bidder.

MR. WOERNER: No you don't if it is clear.

COUNCILMAN GLAVIN: ---- municipalities get themselves in trouble all the time. A lot of people deliberately under bid these jobs, they don't get them done properly. They come back with the infamous change orders. I don't necessarily believe that. I think that if they feel uncomfortable with this person they should have thrown the bids out and rebid.

MR. WOERNER: I think after they had meetings that they felt comfortable. What they have done, according to what was represented to me was that they set up specific time schedules, they have also set up specific sub-contractors ---- the job that are responsible for each function. I think it is an all inclusive bid now that there are no change orders allowed. Whatever change orders have to be done have to be ---.

COUNCILMAN GLAVIN: I can see change orders occur from time to time but you now what I was getting at.

MR. WOERNER: Right. On this one it shouldn't be such a risk because it is brand new. It is not demolition and then the rebuild contract. Alan can't be here tonight because there was a family problem and he had to be home. He just wanted to present to the Finance Committee that they wanted to award to the lowest responsible bidder which happens to be the ---- and they worked out the series of management controls that they think will prevent any change orders, any cost overruns and I think the city also has the right to replace sub-contractors at the time general contractors cost. --- sub-contractors fall behind on their schedules.

CHAIRMAN DILLON: Is there an action requirement?

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MR. WOERNER: I think just receive.

COUNCILMAN GLAVIN: Do we have to approve them?

MR. WOERNER: I don't think so because they are approved by the Board of Contract. ----- in order to get these projects started so that they can be completed by September.

CHAIRMAN DILLON: So we will receive them and will the Clerk make a note to just ask the Law Department to just check into the actual....

MR. WOERNER: If Patricia is here, I think she would --- over contract.

COUNCILMAN GLAVIN: If we are saying on one hand that we are concerned about the cost, do we have to give it to this lowest bidder and that doesn't make any sense.

MR. WOERNER: That's right.

COUNCILMAN GLAVIN: We can get the ---- that has bid well, that doesn't make sense.

COUNCILWOMAN FARGNOLI: It has to be the lowest responsible bidder.

MR. WOERNER: Right, I think in their determination, Patricia were here, what was represented to me was that there was some concern, they talked to the Law Department, they didn't think the evidence was clear enough to say he is not responsible and the contractor could get an injunction or a restraining order to prevent the projects from starting and then they wouldn't be completed by September. Patricia would know the legal aspects of this.

COUNCILMAN GLAVIN: I just don't want to, again, one of these, we can't do anything about it situations ----.

CHAIRMAN DILLON: Make a note to write to the Law Department and ask whether we have to receive them or approve them.

BUDGET SCHEDULE

CHAIRMAN DILLON: The other item that we have regards the budget schedule. I changed the nights for the Fire and Schools and then I had some discussions with Mr. Spinelli today and I guess they talked with the Law Department as well and the Law Department is of the opinion that if we advertise for a Public Hearing with the Tax Levy at no increase as has been proposed and then

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something went wrong up at the state, if you wanted to change the tax rate at all, you would have to have another advertisement, another Public Hearing. The question is then, do we want to have one this early in the process not knowing what is going on.

COUNCILMAN FENTON: I had advocated in having two, one early on to allow people if they have ideas or other suggestions that they be given the opportunity and then once we finish and have a better idea of the state because if you have it at the end, people complain, well it is too late and if you have it at the beginning they say,.....

CHAIRMAN DILLON: How do you know? You don't even know what is going on.

COUNCILMAN FENTON: Right so why not have one at both ends.

COUNCILMAN GLAVIN: As someone who ran Public Hearings for the Zoning Ordinance and Zoning Boundaries, I can tell you ---- you are damned if you do and you are damned if you don't.

COUNCILMAN FENTON: So maybe it is worth having them at both ends.

MR. PRIGNANO: Would you want the normal display ad that we do? That is an expensive ad.

COUNCILMAN FENTON: Yes. Legal ad.

MR. PRIGNANO: Wouldn't have to do a legal ad.

COUNCILMAN FENTON: How much is a display?

MR. PRIGNANO: About \$1,000.00, \$1,200.00.

COUNCILMAN GLAVIN: Yes, it is pretty expensive now.

CHAIRMAN DILLON: You have one.

COUNCILMAN GLAVIN: The most important item in the city's fiscal year, I think we.....

COUNCILMAN FENTON: We can afford two. We have more than one ad sometimes on things of far less significance.

COUNCILMAN GLAVIN: How much does it cost us to put those things in the paper, there is a holiday on Monday, no trash pick-up on Wednesday, Thursday and Friday. If we can do it for that, we can do it for the Public Hearing.

MR. PRIGNANO: We used to get reimbursed for those through the recycle thing and I have been battling it. People are used to it. I would like to see them end those because if your garbage is

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out on Monday and it is a holiday, you automatically.....

CHAIRMAN DILLON: You have to get everything in there.

MR. PRIGNANO: It is all here. I have it.

MR. WOERNER: You would have to if there is going to be a tax increase, right? You would have to review that.

MR. PRIGNANO: This right now says there is no tax increase but it does tell what 5 1/2% ----- but exactly what you said.

COUNCILMAN GLAVIN: Alex, I was just speculating earlier, it is purely a speculation but if all revenue projections are accurate and I am sure the Mayor feels they are, and we go in and trim the budget, is there any reason why we can't decrease the tax rate?

MR. PRIGNANO: I would think you would have trouble, I have been here 10 years, very seldom are you able to really go in there and trim much. The last few years you have taken some positions and stuff like that but I think when you go into the budget this year, you will find that it has all been done. The time I put the budget together there are no vacancies at all.

COUNCILMAN GLAVIN: But we are increasing spending like 25 million dollars.

MR. PRIGNANO: In those areas it is basically debt service in the schools and I think that is why the schools have made a special request that you have a real, I guess a briefing, before they even come in here.

COUNCILWOMAN FARGNOLI: Where is the budget that we could look over before we even go for a briefing.

MR. WOERNER: Mark wasn't in today so I will try and get it.

COUNCILWOMAN FARGNOLI: If we don't get that school budget early enough where we can study it.

MR. PRIGNANO: I am sure we can have it for you Wednesday.

COUNCILWOMAN FARGNOLI: Good. All of those items that we hoped to balance the budget with, do we have someone working to make sure that those will indeed be facts?

MR. PRIGNANO: We basically do this now as problems arise during the budget, we come up with solutions to balance the year we are in. We have done it the last two years, we have assigned someone certain tasks to follow through. We are going to have to

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have an implementation meeting, there is no doubt. Some one is going to have to be responsible for working with this legislature. Some one is going to have to be responsible for following the Port through. Some one is going to have to be responsible for other certain things, making sure the vacancies stay vacant.

COUNCILWOMAN FARGNOLI: Will we be apprised of these as we go along because actually if they.....

MR. PRIGNANO: Basically --- come in this year and I have given you a little summary of where we stand on the budget. It shows you like items that we have achieved, items we are still working on. I guess I could also tell you the persons name next to that item who in fact is the lead person for making that happen. One of the things I was responsible for was pulling that million dollars, \$800,000.00 out of line items for purchasing. Tom Rossi was the person responsible for negotiating the Bay Commission. Boyce and I on healthcare. I could give you those names. That is just what we talked about the other day with the Mayor ---- these major tasks.

MR. SPINELLI: And then the up-coming budget.

MR. PRIGNANO: Yes, I was saying we have been doing that more since the last two years but that will continue.

CHAIRMAN DILLON: What I hear people saying, I think, is that you just assume have the one on the 17th and if we have to have another one then we have to have another one? Or even plan on another?

COUNCILMAN FENTON: Yes.

MR. SPINELLI: The 19th.

CHAIRMAN DILLON: You can't do it for the 17th?

MR. SPINELLI: It would have had to be in the paper today.

MR. PRIGNANO: When I have the ads done I could get it to the paper but I couldn't get the --- of the Administration.

CHAIRMAN DILLON: I will give you another one of these but now the Police and Commissioners will be on the 17th at 5:00 o'clock P.M.

MR. PRIGNANO: The Journal told us today if we run the ads for Friday, they have to have it by 2:00 o'clock tomorrow. I could have had it for 4:30 today.....

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CHAIRMAN DILLON: The Public Hearing will be on the 19th at 7:00 o'clock P.M.

MR. PRIGNANO: The gentleman at the state who reviews these ads are out tomorrow or we could have gotten it for tomorrow.

COUNCILWOMAN FARGNOLI: Are still on for Wednesday night for legislative matters?

CHAIRMAN DILLON: Yes.

COUNCILMAN FENTON: Is that the only thing? I will not be here.

CHAIRMAN DILLON: When are they going to be finished up there?

COUNCILMAN FENTON: No idea. Senate has a budget done, House does not.

MR. WOERNER: How do we stand on the education ----?

COUNCILMAN FENTON: Education, probably not too bad on the pilot, 0 and I think there is going to be a lot of controls over things coming out of the Senate. Money targeted for specific things, go for specific things.

COUNCILWOMAN FARGNOLI: They are going to fund whatever they mandate. Do you think that is going to become real?

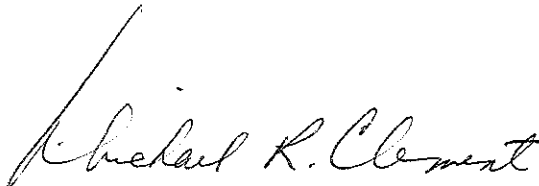
COUNCILMAN FENTON: Never.

COUNCILWOMAN FARGNOLI: Then why do they make all these rules if they don't fund them for the cities and towns.

CHAIRMAN DILLON: Stephen, you have to get back to us on the retirement.

MR. WOERNER: We are meeting on Wednesday. There is still the questions, just the general categories.

ADJOURNMENT: On motion of Councilwoman Fargnoli, seconded by Councilman Fenton, it is voted to adjourn the meeting at 6:05 o'clock P.M.


CLERK


Assistant Clerk