

DEPARTMENT OF CITY CLERK

CITY HALL

DECEMBER 12, 1983

The Committee on Finance meets this day at 3:30 o'clock P.M. in Committee Room "A", City Hall.

Present: Vice-Chairman Dillon, and Councilmen Easton and Farmer.

Subsequently Chairwoman Brassil joins the Committee.

Also present are William Collins of the Mayor's Office, City Treasurer Napolitano, City Internal Auditor Woerner, Alex Prignano of the Finance Department and Paul Jones, Assistant City Solicitor. (Rose M. Mendonca, Clerk).

REFUNDING OF BONDS.

City Treasurer Napolitano states there are \$1,850,000 in General Obligation Bonds authorized last December that are due the 15th of this month. It is for a six month period in anticipation of the General Obligation Bond sale in June.

Bids were opened this day in the Council Chamber and Citizens Trust Company submitted an offer at 7.59% per annum and Fleet National Bank at 6.69% per annum, the being the low bidder.

On motion of Councilman Farmer, seconded by Councilman Easton, it is :

VOTED: that the sale of a \$1,850,000 Public Improvement Bond dated December 15, 1983, payable June 15, 1984 and bearing interest at the rate of 6.69 per cent to Fleet National Bank and accrued interest is hereby confirmed.

FURTHER VOTED: to confirm the consent dated December 1, 1983 to the certifying bank bidding for the bond.

RESOLUTION AUTHORIZING AND DIRECTING THE CITY TREASURER TO BORROW FROM TIME TO TIME, IN SUCH SUMS AS MAY BE NECESSARY NOT EXCEEDING THREE MILLION, TWO HUNDRED EIGHTY-SIX THOUSAND DOLLARS (\$3,286,000.00) TO BE USED EXCLUSIVELY FOR CARRYING OUT THE OFFICIAL REDEVELOPMENT PLAN FOR THE WEST RIVER PROJECT EXPANDED AREA.

Stanley Bernstein, Director of Planning and Urban Development is present relative to the above.

Councilman Dillon sees no reason to pass the Resolution at this time.

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Mr. Bernstein states this request was previously incorporated within the Ordinance before the Committee on Urban Redevelopment Renewal and Planning and it was decided to keep it separate. When the Ordinance is approved for the redevelopment plan, he would like approval of the Resolution. He is going to request that the Committee approve the Ordinance this evening and submit it to the Council tomorrow evening for first passage.

Councilman Farmer is of the opinion action should not be taken at this time as the Committee had decided to look into this matter in context with the overall situation. The Members can meet with Councilman O'Connor after it is considered by his Committee.

Councilman Easton wants to know what other projects have been approved by the Committee on Urban Redevelopment, Renewal and Planning and not funded.

Mr. Bernstein states this would have to be bonded or short term notes.

Councilman O'Connor being present questions Mr. Bernstein as to what the total of the Silver Lake Project is and Mr. Bernstein states the initial appropriation is \$867,000, an additional \$1,000,000, if approved.

On motion of Councilman Easton, seconded by Councilman Farmer, the foregoing Resolution is Continued.

AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE CHAPTER 1983-30, APPROVED JULY 10, 1983, BY TRANSFERRING THE SUM OF TWENTY-NINE THOUSAND, FIVE HUNDRED DOLLARS (\$29,500.00) FROM MOTOR FUEL ACCOUNT (1-005-17-02-11) TO MUNICIPAL DOCK (1-05-13-591) AS AMENDED.

AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE CHAPTER 1983-30 APPROVED JULY 10, 1983, BY TRANSFERRING THE SUM OF FORTY-FIVE THOUSAND DOLLARS (\$45,000.00) FROM MOTOR FUEL ACCOUNT (1-005-17-02-11) TO THE DEPARTMENT OF PUBLIC WORKS MUNICIPAL DOCKS AND SERVICE ACCOUNT (1-05-13-151), AS AMENDED.

It is brought out by Councilman Dillon that the first Ordinance has to do with the winterizations of the cranes and the second is for Paolino Construction relative to the amended contract for the repair of the berth.

Vice-Chairman Dillon states he was of the opinion it was Crane Associates duty to get the cranes in place and questions the reason the City is paying for maintenance.

Mr. Collins states it was the City's responsibility.

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Chairwoman Brassil joins the Committee at this time and does not take the Chair.

Mr. Collins once again reviews for the members the reason for the Ordinances transferring money to Municipal Docks.

He further states David Friedman pays \$100,000 per year plus interest; about \$220,000 annually in debt service charge. It will take seven years for the cranes to be paid off and the City will own them for One Dollar. Once the debt is paid, \$350.00 an hour will go to the City.

Vice-Chairman Dillon states Mr. Friedman will be leasing the land he owns to people. Under the lease if the cranes are not operating he can go in there and fix them and bill the City. His rights under the contract seem to continue and he has no duties.

Mr. Collins states it is Mr. Friedman's intent that when the debt is retired, they turn over the cranes. That has been the assumption throughout this period.

Councilman Easton questions as to why Mr. Friedman does not put that in writing.

Mr. Collins responds he asked Mr. Friedman to do that today and he said he would. Mr. DeCelles and a lawyer from Tillinghast, Collins and Grahm had to satisfy tax laws and Mr. DeCelles felt this would protect the City's interest. When the debt is retired, David Friedman would no longer have an interest and would transfer them to the City.

He informs the Members he will commence discussions between Mr. DeCelles and Mr. Friedman's lawyer to see whether the Committee can have additional assurance it will be done. He is of the opinion the request is justified.

They expect to use both cranes simultaneously when the big ships come along. If things keep going well, they could have four cranes operating at the same time. A shipping firm, T.F.L., brought in 123 containers the first week, second week 198, and tomorrow they are scheduled for 260 containers.

Chairman Dillon questions as to how much is received for wharfage and dockage.

Mr. Collins states the containers being in about \$240.00 each and if they are on the dock beyond a certain point the costs rise.

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He proceeds to point out the amount of containers per week at the port.

Councilman Easton states that is roughly $\frac{1}{2}$ million dollars a year in fees and questions when they will make a profit.

Mr. Collins states if they write off the contribution to purchasing the cranes with Mayor's Office of Community Development, the annual operating cost is running \$280,000 or \$290,000. That would imply if they had 2,000 containers at \$240.00, the first year they would exceed the cost but not be making money.

Discussion ensues relative to the expenditures for the containers.

Questions as to what happens to the container revenue, Mr. Woerner responds that excess container revenues go into the owners account, plus 50% of excess container revenues. The interest account is supposed to pay off the bonds. If the rent is current, etc., the City can be reimbursed for repairs or they can use that money to pay off the bonds.

On motion of Councilman Farmer, seconded by Councilwoman Brassil, it is voted to approve the two Ordinances and transmit same to the City Council with recommendation of Adoption.

RELATIVE TO OVERTIME AT THE PORT OF PROVIDENCE.

A report is submitted pertaining to overtime at the Port of Providence for twenty employees. It is noted that Joseph Agugiaro, head of security has received \$3,707.54 **in overtime since he** started employment.

Councilman Easton states supervisory personnel is not eligible for overtime.

He requests Mr. Woerner determine when the overtime was paid.

Mr. Woerner states \$6,000 has been paid in overtime since July 1.

The Clerk is directed to transmit a memorandum to the Chairman of the Port Commission requesting an explanation.

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AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE CHAPTER 1983-30 APPROVED JULY 10, 1983, BY TRANSFERRING THE SUM OF TWENTY THOUSAND (\$20,000.00) FROM PUBLIC WORKS HIGHWAY (1-05-08-222) TO PUBLIC WORKS BRIDGE MAINTENANCE (1-05-09-266).

Councilwoman Brassil states the above Ordinance is for payment of repairs to the Union Avenue Bridge.

On motion of Councilman Easton, seconded by Councilman Dillon, it is voted to approve the foregoing Ordinance and transmit same to the City Council with recommendation of adoption.

AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE CHAPTER 1983-30, APPROVED JULY 10, 1983, BY TRANSFERRING THE SUM OF TEN THOUSAND DOLLARS (\$10,000.00) FROM WORKERS COMPENSATION (1-013-17-3-92) TO LAW DEPARTMENT CLAIMS ACCOUNT (1-01-05-331).

Vice-Chairman Dillon states this is for payment to a person working at the Sewage Treatment Plant and is of the opinion the money should be reimbursed by the Narragansett Bay Commission.

Councilman Easton is of the opinion the amount is speculative and the only time the Claims Account should be reimbursed.

On motion of Councilwoman Brassil, seconded by Councilman Farmer, the Clerk is requested to transmit a memorandum to the City Solicitor, suggesting he look into the question of whether the Narragansett Bay Water Quality Management District should reimburse the City for the money involved.

AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE CHAPTER 1983-30, APPROVED JULY 10, 1983, BY TRANSFERRING THE SUM OF FIVE THOUSAND DOLLARS (\$5,000.00) FROM DEBT SERVICE RETIREMENT BONDS (1-12-01-802) TO RHODE ISLAND HISTORICAL SOCIETY (1-14-10-3-41).

AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE CHAPTER 1983-30 APPROVED JULY 10, 1983, BY TRANSFERRING THE SUM OF SIX THOUSAND, SEVEN HUNDRED DOLLARS (\$6,700.00) FROM DEBT SERVICE RETIREMENT BONDS ACCOUNT (1-12-01-802) TO RECORDER OF DEEDS (1-09-01-501).

On motion of Councilman Easton, seconded by Councilwoman Brassil, it is voted to Postpone the Ordinances Indefinitely in Committee and the Clerk is requested to inform the Finance Director to submit the Ordinances, if he desires, transferring the money from another account.

RESOLUTION REPORTING RECEIPTS OF CERTAIN GIFTS OF MONIES BY THE BOARD OF PARK COMMISSIONERS FOR THE PRESERVATION AND CARE OF SPECIFIED BURIAL LOTS IN NORTH BURIAL GROUND.

On motion of Councilwoman Brassil, seconded by Councilman Easton, it is voted to approve the foregoing and transmit same to the City Council with recommendation of Adoption.

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AN ORDINANCE SPECIFYING PROHIBITED PERSONNEL PRACTICES.

On motion of Councilwoman Brassil, seconded by Councilman Farmer, the above Ordinance is Continued and the Clerk is requested to transmit a copy to the Law Department for review and to report as to whether portions of the Ordinance are already a matter of law.

AN ORDINANCE IN AMENDMENT OF AND IN ADDITION TO CHAPTER 15 SECTION 2-8 OF THE CODE OF ORDINANCES ENTITLED "MOTOR VEHICLES AND TRAFFIC."

On motion of Councilman Easton, seconded by Councilwoman Brassil, it is voted to continue the Ordinance and the Clerk is requested to transmit a copy to the Law Department, requesting an explanation of its contents.

AN ORDINANCE IN AMENDMENT OF SEC. 17-22 OF THE CODE OF ORDINANCES OF THE CITY OF PROVIDENCE BY ADDING SUBSECTION "(a) IT SHALL HENCEFORTH BE UNLAWFUL TO HIRE ANY TEMPORARY, PART-TIME OR PERMANENT EMPLOYEES WITHOUT PRIOR APPROVAL OF THE CITY COUNCIL BY RESOLUTION."

On motion of Councilwoman Brassil, seconded by Councilman Farmer, it is voted to Continue the Ordinance and to transmit a copy of the Solicitor's legal opinion to the Members of the Committee for their review.

PETITION OF PATRICK T. CONLEY AND PAUL R. CAMPBELL, REQUESTING RELIEF IN WHOLE OR IN PART OF CITY LIENS TOTALLING THREE THOUSAND, FORTY-NINE DOLLARS (\$3,049.) FOR PARCEL OF REAL ESTATE LOCATED AT 206 DUDLEY STREET, LOT 40 ON CITY ASSESSOR'S PLAT 45.

Councilman Easton moves the petition be Denied.

Councilwoman Brassil states she was not present at the meeting when Mr. Conley was present and therefore does not know the history of same.

Vice-Chairman Dillon relinquishes the Chair to Chairwoman Brassil.

CHAIRWOMAN BRASSIL IN THE CHAIR.

Councilman Easton refers to Mr. Conley's statements of paying all the liens on other properties he has purchased and he did give a good argument. In the final analysis, it would be improper to release a lien on property with a good profit.

Chairwoman Brassil refers to the book Messrs. Conley and Campbell were supposed to be writing, comprising of all city owned property which has not been done.

Councilman Dillon is of the opinion Messrs Conley and

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Campbell may lose money on this particular lot, but put together all the lots they have purchased and the prices they have paid, they have done fine.

Councilman Dillon seconds the motion to Deny the petition.

RESOLUTION REQUESTING THE DIRECTOR OF THE DEPARTMENT OF INSPECTION AND STANDARDS TO RELEASE THE DEMOLITION LIEN IN THE AMOUNT OF THREE THOUSAND, SEVEN HUNDRED DOLLARS (\$3,700.00) AGAINST THE PROPERTY LOCATED ALONG 125 TELL STREET.

On motion of Councilman Dillon, seconded by Councilman Easton, it is voted to Continue the matter as a report has not been received and the Clerk is directed to transmit a second memorandum to the Director of Inspection and Standards.

RESOLUTION REQUESTING THE DIRECTOR OF THE DEPARTMENT OF INSPECTION AND STANDARDS TO CAUSE THE LIEN TO BE REMOVED ON THAT PROPERTY LOCATED AT 113-115 COLFAX STREET.

On motion of Councilman Dillon, seconded by Councilman Easton, it is voted to Continue the Resolution as a report has not been received and the Clerk is directed to transmit a memorandum to the Mayor's Office of Community Development requesting a report as soon as practical.

RESOLUTION REQUESTING THE DIRECTOR OF THE DEPARTMENT OF INSPECTION AND STANDARDS TO RELEASE THE DEMOLITION LIEN IN THE AMOUNT OF TWO THOUSAND, FOUR HUNDRED SIXTY DOLLARS (\$2,460.00) ON THAT PROPERTY LOCATED AT 81-83 AYRAULT STREET.

Chairwoman Brassil reads the following report from the Director of Inspection and Standards:

MERLIN A. DeCONTI, JR., P.E.
DIRECTOR



VINCENT A. CIANCI, JR.
MAYOR

DEPARTMENT OF INSPECTION AND STANDARDS

Date: October 26, 1983
To: Councilwoman Carolyn F. Brassil,
Chairwoman/Committee on Finance
From: Merlin A. DeConti, Jr., Director
Department of Inspection and Standards
Subject: Lien on 81-83 Ayrault Street

I have reviewed the records of this Department to determine the circumstances involved with the demolition of this property. This building was ordered extensively repaired or demolished by the previous Director of Building Inspection, Vincent DiMase, on February 25, 1974. The owners of the property, Garabed Topalian and wife, Tarviz, were unable to pay for the demolition and signed a release on June 19, 1974, allowing the City to demolish the building and place a lien on the property for the cost of demolition. There has been no further correspondence with this office since that time.

A recent inspection of this lot by this Department revealed that the lot is fairly well graded and has very little debris on it. It appears to be used for parking by some neighborhood cars. The lots on either sides of this lot are fenced and the back of the lot adjoins a block garage wall.

If this lot is to be used for parking, I would recommend that the owners comply with the City Ordinances prior to the release of any lien. If the lot is not to be used for parking, perhaps some effort can be made to eliminate the use of the lot by neighbors and to maintain the lot in a manner that would not be detrimental to surrounding properties.

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A report from City Collector Tarro states \$261.56 is due on taxes and \$2,460 on demolition lien.

On motion of Councilman Easton, seconded by Councilman Farmer, the Clerk is directed to correspond with the owner of property and inform him the Committee will consider the release of the lien if the use for parking is brought in compliance with the Ordinance relative to parking.

RESOLUTION REQUESTING THE PAYROLL DIVISION OF THE CITY CONTROLLER'S OFFICE TO INSTITUTE A PAYROLL DEDUCTION PLAN FOR CITY EMPLOYEES FOR THE NEW FUND FOR COMMUNITY PROGRESS.

On motion of Councilman Easton, seconded by Councilman Dillon, it is voted to Postpone the forgoing Resolution in Committee Indefinitely as the payroll plan has been instituted.

Adjournment. On motion of Councilman Easton, seconded by Councilman Dillon, the Committee adjourns at 5:00 o'clock P.M.

Rose M. Mendonca

Clerk

Copied *J.M.A.*

Compared *J.A.V.*