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City Hall,

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The Committee on Finance meets this day at 11:15 o'clock A.M. in Committee Room "A". Present: Chairman Mariani and Messrs. Moakler, and Loughran. Also present are Finance Director Cashman, City Treasurer Cardarelli, Budget Officer Moran, Assistant City Solicitor McManus, and Assistant City Controller Hartigan. (W. E. McWilliams, Asst. Clerk)

Budget Officer Moran outlines the following:

AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE, CHAPTER 533, BY ADDING THE SUM OF NINETEEN THOUSAND (\$19,000) DOLLARS TO THE APPROPRIATION CONTAINED THEREIN FOR BOARD OF CANVASSERS, ITEM 0. (In City Council June 5, 1952. Read and passed the first time)

This Ordinance adds \$19,000.00 to Board of Canvassers, Item 0 to pay salaries of additional clerks for balance of fiscal year. This money is obtained from increased receipts from Reserve for Extraordinary Expenditures.

AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE, CHAPTER 533, BY ADDING THE SUM OF FIFTY-TWO HUNDRED (\$5200) DOLLARS TO THE APPROPRIATION CONTAINED THEREIN FOR BATH HOUSES, ITEM 1. (In City Council June 5, 1952. Read and passed the first time)

This Ordinance transfers \$1200.00 from Bath Houses, Item 0 and \$4,000.00 from Comfort Stations, Item 0 to Bath Houses, Item 1 to repair roof, gutters and conductors, replace some plaster, pointing brick, and replace flashings at Franklin Park Bath House. Also replace doors at Quaid Street and Franklin Park with metal doors and also new screen doors at all Bath Houses.

AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE, CHAPTER 533, BY ADDING THE SUM OF FIVE THOUSAND (\$5,000) DOLLARS TO THE APPROPRIATION CONTAINED THEREIN FOR RECREATION DEPARTMENT, ITEM 2. (In City Council June 5, 1952. Read and passed the first time)

This Ordinance transfers \$5,000.00 from Recreation Department, Item 0 to Item 2. Fuel consumption was greater than estimated, un-anticipated expenditures for supplies were made at new Benefit Street Recreation Center and cost of many recreational items increased.

AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE, CHAPTER 533, BY ADDING THE SUM OF FIVE HUNDRED (\$500.00) DOLLARS TO THE APPROPRIATION CONTAINED THEREIN FOR CITY REGISTRAR'S DIVISION, ITEM 1. (In City Council June 5, 1952. Read and passed the first time)

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This Ordinance transfers \$500.00 from Health Department, Item 0 to City Registrar, Item 1 to meet rental cost of IBM machine not anticipated when budget appropriation was made.

AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE, CHAPTER 533 BY ADDING THE SUM OF FIFTEEN THOUSAND ONE HUNDRED NINETY-SEVEN DOLLARS AND FOUR CENTS (\$15,197.04) to MUNICIPAL DOCKS, ITEM 6. (In City Council June 5, 1952. Read and passed the first time.)

This Ordinance adds \$15,197.04 to Municipal Docks, Item 6. \$9,797.04 is to pay for extra allowed by vote of Board of Contract and Supply to Gilbane Construction Company for increased cost of steel after contract was awarded. \$5,400.00 is to pay for painting steel girders. This work was not part of the original contract but was recommended by architect to be done at this time as staging for this type of work was on the job and to do this work within the next few years would cost \$4,000.00 to \$5,000.00 more. This money is obtained from increased receipts from Reserve for Extraordinary Expenditures.

AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE, CHAPTER 533, BY ADDING THE SUM OF FIVE THOUSAND FIVE HUNDRED (\$5,500) DOLLARS TO THE APPROPRIATION CONTAINED THEREIN FOR THE PROVIDENCE CIVILIAN DEFENSE COUNCIL, ITEM 5. (In City Council June 5, 1952. Read and passed the first time)

This Ordinance adds \$5,500.00 to Civilian Defense Council, Item 5. In Budget, we allowed for purchase of four pumpers at one-half cost, with the Federal Government paying the other half. Because of a re-allocation of Federal funds, we may now be able to purchase two additional pumpers at one-half cost or \$14,000.00. There is about \$8,500.00 in the appropriation that we can use for this purpose which together with this request will give us the necessary funds. This money is obtained from increased receipts from Reserve for Extraordinary Expenditures.

AN ORDINANCE AMENDING THE APPROPRIATION ORDINANCE, CHAPTER 533, BY ADDING THE SUM OF SEVENTY-THREE HUNDRED (\$7300) DOLLARS TO THE APPROPRIATION CONTAINED THEREIN FOR HEALTH DEPARTMENT, ITEM 1. (In City Council June 5, 1952. Read and passed the first time)

This Ordinance transfers \$7,300.00 from Health Department, Item 0 to Health Department, Item 1. The appropriation for the Child Welfare program was originally made in Item 0 but it has been integrated with Child Hygiene program and is now being paid out of Item 1.

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On motion of Mr. Moakler, seconded by Mr. Loughran, it is voted to return the above Ordinances to the City Council with recommendation of passage a second time.

RESOLUTION AUTHORIZING AND DIRECTING THE BOARD OF CONTRACT AND SUPPLY TO PURCHASE FROM HUGO CAROSELLI CERTAIN OUTSTANDING RIGHTS IN LOT 319 AS SET OUT AND DELINEATED ON CITY ASSESSOR'S PLAT 14, LOCATED ON POWER STREET. (In City Council June 5, 1952. Referred to Committee on Finance)

Pending further information, on motion of Mr. Moakler, seconded by Mr. Loughran, it is voted to lay the above Resolution on the table in Committee.

RESOLUTION OPPOSING THE PROPOSED CLOSING OF THE BRANCH AVENUE PRIMARY SCHOOL. (In City Council June 5, 1952. Referred to Committee on Finance)

On motion of Mr. Moakler, seconded by Mr. Loughran, it is voted to lay the above Resolution on the table in Committee.

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At 11:50 o'clock A.M. Chairman Mariani announces that the meeting is to be continued further for the purpose of receiving bids for the sale of \$3,500,000.00 of various purpose bonds of the City of Providence.

On motion of Mr. Mariani, seconded by Mr. Loughran, it is voted to adjourn to the City Council Chamber to receive and open bids on the sale of City of Providence bonds in the sum of \$3,500,000.00. Mr. Raymond Fox, Vice President of Providence Union National Bank and Mr. Kruhm, Statistician, appear at this time and are invited to attend.

IN CITY COUNCIL CHAMBER

At 11:55 o'clock A.M., Chairman Mariani announces that there is five minutes remaining for the receipt of bids for the \$3,500,000.00 City of Providence bonds.

At 11:59 o'clock A.M. Chairman Mariani announces that there is one minute remaining for the receipt of bids for the \$3,500,000.00 City of Providence bonds.

At 12:00 o'clock Noon, Chairman Mariani announces that the time for receiving bids has expired. Chairman Mariani proceeds to open the bids in public session.

The following bids were submitted, accompanied by certified checks in the amount of \$70,000.00:

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<u>BIDDER</u>	<u>PRICE BID</u>	<u>INTEREST RATE</u>
Bankers Trust Company, and National City Bank of N. Y. The First National Bank of N.Y. R. W. Pressprich & Co. Salomon Bros. & Hutzler Lee Higginson Corp. Laurence M. Marks & Co. Provident Savings Bank & Trust Co.	\$3,503,150.00	2.30%
Harriman Ripley & Co., Inc. and Lehman Bros. Union Securities Corp. Kidder, Peabody & Co. Stone & Webster Sec. Corp. F. S. Moseley & Co. Mercantile Trust Co., St. Louis Barr Bros & Co. Eldredge & Co., Inc. R. L. Day & Co.	\$3,538,500.00	2½%
Chemical Bank & Trust Company) Joint Harris Trust & Savings Bank ) Mgrs. Goldman, Sachs & Co. The Northern Trust Company The First National Bank, Portland Ore. Braun, Bosworth & Co., Incorporated Kean, Taylor & Co. Trust Company of Georgia, Atlanta, Ga. W. E. Hutton & Co. First of Michigan Corporation G.C. Haas & Co. Hannahs, Ballin & Lee R. D. White & Company	\$3,513,615.00	2.35%
Drexel & Co., and Bear, Stearns & Co. Roosevelt & Cross, Inc. Hirsch & Co. First Securities Company of Chicago Courts & Co. John Small & Co. Shelby Cullom Davis & Co. Freeman & Co. T. H. Jones & Co. Lyons & Shafto, Inc. Kenower, MacArthur & Co.	\$3,503,500.00	2.375%
Halsey, Stuart & Co., Inc. and Associates	\$3,517,108.00	2.40%
Glore, Forgan & Co., and S. C. Allyn and Company, Inc. Stroud & Co., Incorporated R. S. Dickson & Co., Inc. American Securities Corporation Ira Haupt & Co. Wood, Gundy & Co., Inc. Fulton, Reid & Co. Rand & Company Byrne and Phelps, Inc. Paul Frederick & Company J. B. Hanauer & Co.	\$3,502,800.00	2-3/8%

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<u>BIDDER</u>	<u>PRICE BID</u>	<u>INTEREST RATE</u>
The First Boston Corporation and C. J. Devine & Co., Inc. Harris, Hall & Company Schoellkopf, Hutton & Pomeroy, Inc. Shearson, Hammill & Co. Andrews & Wells, Inc. Blunt, Ellis & Simmons Stokes & Co. Folger, Nolan, Incorporated	\$3,535,055.65	2 $\frac{1}{2}$ %

At 12:14 o'clock p.m., Chairman Mariani announces that the public session is closed and the Committee will return to Committee Room "A" for a study and tabulation of bids.

Upon tabulation of bids, it is the opinion that the Syndicate headed by Bankers Trust Company of New York, with a bid of \$3,503,150.00 with an interest rate of 2.3% per annum are the successful bidders.

Mr. Raymond Fox and the Statistician, Mr. Kruhm, estimate that the net cost to the City will be \$1,311,236.07, or a net cost of 2.294617% interest or slightly below 2.3%.

It appears that this cost is higher than expected for the members were hoping for a rate between 2.1% and 2.2% and upon suggestion of Mr. McManus, a phone call is put through to bond counsel in New York and Mr. Joseph McGovern of Sullivan, Donovan, Heenahan and Hanrahan, discuss this matter with Mr. McManus, Mr. Cashman and Mr. Fox.

Mr. McGovern advises that the bid be accepted and Mr. Fox concurred in his recommendation.

After a discussion of various probabilities with respect to the cost of this higher rate of interest on bonds of the City of Providence, it is voted, on motion of Mr. Moakler, seconded by Mr. Loughran, that the sale of \$3,500,000.00 City of Providence various purpose bonds authorized by Chapters 605, 606, 607, 608 and 609 of the Ordinances of the City of Providence, approved May 19, 1952 to the Bankers Trust Company of New York at a price of \$3,503,150.00 or 100.09 for each \$100 par value and accrued interest at the rate of 2.3% per annum is hereby confirmed, that being the most successful bid received therefor and Resolution confirming said sale be submitted to the City Council for approval.

Chairman Mariani thereupon declares the issue of \$3,500,000.00 City of Providence Bonds awarded to the Bankers Trust Co. of New York.

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On motion of Mr. Moakler, seconded by Mr. Loughran, it is voted that the City Treasurer return to the unsuccessful bidders, checks which accompanied their proposals.

Adjournment is taken at 12:50 o'clock p.m.



Assistant Clerk.

Copied J. S. M.

Compared J. F. S.