

(The following is not a verbatim transcript of comments or discussion that occurred during the meeting, but rather a summarization intended for general informational purposes. All motions and votes are the official records).

FINANCE COMMITTEE

Regular meeting of the Finance Committee was held on Monday, July 6, 2020 via Zoom.

CALL MEETING TO ORDER:

The meeting was called to order at 7:48 P.M. by the Chair.

Present Councilmember John P. Donegan
 Councilmember Edward J. Brady
 Councilmember Christopher G. Paplauskas
 Councilmember Kenneth J. Hopkins, Vice-Chair
 Council Vice-President Michael W. Favicchio, Chair

Also Present: Councilmember Steven A. Stycos
 Councilmember Lammis J. Vargas
 Daniel Parrillo, Director of Administration
 John Psilopoulos, Deputy Director of Administration
 Robert Strom, Finance Director
 Christopher Rawson, City Solicitor
 Leanne Zarrella, City Clerk
 Rosalba Zanni, Assistant City Clerk/Clerk of Committees
 Heather Finger, Stenographer

MINUTES OF THE LAST MEETING:

Councilmember Donegan stated that there was an error in one of the budget hearings where he made a motion regarding the splash pad and the motion made at that meeting was for \$150,000. Chair asked Solicitor if this could be considered a scrivener's error. Solicitor stated, yes.

On motion by Councilmember Hopkins, seconded by Councilmember Brady, it was voted to dispense with the reading of the minutes of the last meeting and they stand approved as recorded. Motion passed unanimously.

CORRESPONDENCE/COMMUNICATIONS

OLD BUSINESS:

4-20-06 Ordinance in amendment of Section 2.80.010 of the Code of the City of Cranston, 2005, entitled “Administration and Personnel – Salaries” (Sick Leave). Sponsored by Councilmembers Stycos and Donegan. CONT. from 5/4/2020 & 6/1/2020.

Councilmember Donegan motioned to recommend approval of the above Ordinance. Councilmember Hopkins seconded the motion for discussion.

Under Discussion:

Councilmember Stycos suggested amending this Ordinance as follows: line #56, after “not apply to”, add “seasonal employees or”.

On motion by Councilmember Paplauskas, seconded by Councilmember Brady, it was voted to amend this Ordinance as stated by Councilmember Stycos.

Under Discussion:

Chair asked Director Strom to speak on how this would impact the City. Director Strom stated that his issue is when we hire part-time employees, we hire them for twenty hours per week without any benefits. He still feels we should not be giving any benefits to a part-time employee. He does not know of any community that gives sick time to part-time employees.

Director Parrillo indicated that benefits #1, 2, 3 and 4 stated in the Ordinance are given to full-time employees under FMLA as long as they work a certain amount of hours. To give these benefits to part-timers is a bit excessive.

Councilmember Brady stated that he is struggling with this because as a small business owner, his margins are tighter than every and is struggling to get back on his feet as everyone else is and he knows that he could not personally afford to give his part-timers sick leave. He already has started to see businesses coming to us that owe over \$30,000 in taxes that might not reopen so he is struggling adding additional expenses to the year when he does not believe our projected revenue will happen to begin with.

Roll call was taken on motion to amend the above Ordinance as stated and motion passed on a vote of 4-1. The following being recorded as voting “aye”: Councilmembers Brady, Paplauskas, Hopkins and Council Vice-President Favicchio -4. The following being recorded as voting “nay”: Councilmember Donegan 1.

Discussion took place on motion as amended.

Councilmember Paplauskas stated that he is having trouble with this Ordinance for same reasons stated by Councilmember Brady, but he understands the intent.

Councilmember Hopkins stated that State Law for part-timers is 19 hours. He asked if that would supersede this Ordinance. Solicitor stated that he does not think we would be bound by that, but he would have to check into that.

Roll call was taken on motion to recommend approval of this Ordinance as amended and motion failed on a vote of 4-1. The following being recorded as voting “aye”: Councilmember Donegan -1. The following being recorded as voting “nay”: Councilmembers Brady, Paplauskas, Hopkins and Council Vice-President Favicchio -4.

5-20-03 Ordinance in amendment of Title 3 of the Code of the City of Cranston, 2005, entitled “Revenue and Finance” (Bid Discounts for Local Businesses, Minority Business Enterprises and Women Business Enterprises). Sponsored by Councilmember Donegan. CONT. from 6/1/2020.

On motion by Councilmember Donegan, seconded by Councilmember Brady, it was voted to recommend approval this Ordinance.

Under Discussion:

Councilmember Donegan stated that after the last meeting, he did some research and he clarified the intent of this Ordinance. He stated that if you are a minority business enterprise, a woman business enterprise or local based Cranston business, you could get a 2% bid discount for each of those. According to the Secretary of State’s website, of all the businesses that responded, there were a little over 1300 businesses that responded, 24.28% of them were qualified as woman business enterprise, that is 322, 54 of them were minority business enterprises, that is 4.75% of businesses in Cranston. The intent is to keep some of the money here in Cranston and circulating it in our local economy. This is not groundbreaking. There are many other places that have done something similar.

Councilmember Hopkins stated that in speaking to Larry DiBoni, Economic Development Director, the City already has programs in place for this. He asked Administration if this is correct. Director Parrillo stated that, to his knowledge, this is not a loan program. This is more for bids that the City would put out.

Director Strom stated that we have a Board of Contract and Purchase which meets twice a month. We send out binds and RFQ. We try to get the best bid possible for the City. We do not discourage minorities at all and we try to get the best bid possible for the City. We do not discourage minorities at all, we encourage it, but we now would be giving discounts and do not know how this would effect in the evaluation process. If it is a minority business, he questioned why they do not apply and submit a bid.

Councilmember Donegan stated that he would like to propose the following amendment: line #111, add “Any Business Enterprise in consideration as a Minority Business Enterprise and/or a Woman Business Enterprise must provide paperwork confirming their certification as a Minority Business Enterprise and/or a Woman Business Enterprise by a Minority Business Enterprise Compliance Office”.

Chair stated that there is a lot of homework that needs to be done on this.

Councilmember Hopkins stated that he serves on the Diversity Commission along with Councilmember Vargas and this Commission could possibly do some work on this. He would also like to see what other communities are doing about this.

Councilmember Vargas stated that she would not be opposed to having the Diversity Commission discuss this and will bring this up to the Commission.

Councilmember Paplauskas stated that he agrees that the Diversity Commission should look at this and possibly have amendments for us.

On motion by Councilmember Hopkins, seconded by Councilmember Brady, it was voted to continue this Ordinance until more research can be done.

Under Discussion:

Director Parrillo stated that his concern with this Ordinance is the burden it would cause Director Strom or the Purchasing Agent.

Councilmember Stycos stated that he would like to know specifically what that work would be for Mr. Strom.

Councilmember Donegan suggested continuing this Ordinance to the September Committee meeting.

On motion by Councilmember Donegan, seconded by Councilmember Hopkins, it was voted to amend this Ordinance as follows: line #111, add “Any Business Enterprise in consideration as a Minority Business Enterprise and/or a Woman Business Enterprise must provide paperwork confirming their certification as a Minority Business Enterprise and/or a Woman Business Enterprise by a Minority Business Enterprise Compliance Office”. Motion passed unanimously.

On motion by Councilmember Hopkins, seconded by Councilmember Donegan, it was voted to continue this Ordinance to the September Committee meeting. Motion passed unanimously.

PUBLIC HEARINGS/NEW BUSINESS:

6-20-03 Ordinance in amendment of Chapter 5.04.100 of the Code of the City of Cranston, 2005, entitled “Licenses Generally” (Mooring Fees). Sponsored by Councilmember Stycos.

On motion by Councilmember Brady, seconded by Councilmember Paplauskas, it was voted to recommend approval of the above Ordinance.

Under Discussion:

Solicitor stated that the fees are under the Harbor Management Plan. He amended the Ordinance and the amendment should be the fines not the license section and the Harbor Management Plan should be cited in this Ordinance.

Chair asked that the Solicitor forward the amended Ordinance to the City Council for the next Council meeting.

Roll call was taken on motion to recommend approval of the above Ordinance and motion passed on a vote of 4-1. The following being recorded as voting “aye”: Councilmembers Donegan, Brady, Hopkins and Council Vice-President Favicchio -4. The following being recorded as voting “nay”: Councilmember Paplauskas -1.

6-20-04 Ordinance authorizing the City to utilize Eastern Cranston Recreational Impact Fees to build a splash pad in Ward 3. Sponsored by Councilmember Donegan.

On motion by Councilmember Brady, seconded by Councilmember Paplauskas, it was voted to recommend approval of the above Ordinance.

Under Discussion:

Director Strom stated that the figure he has for Eastern Recreation Impact Fees is \$124,919 and the Ordinance states \$125,855.

Motion and second were withdrawn.

On motion by Councilmember Donegan, seconded by Councilmember Paplauskas, it was voted to amend the above Ordinance by changing the amount from \$125,855 to \$124,919. Motion passed unanimously.

On motion by Councilmember Donegan, seconded by Councilmember Paplauskas, it was voted to recommend approval of the above Ordinance as amended. Motion passed on a vote of 4-1. The following being recorded as voting “aye”: Councilmembers Donegan, Paplauskas, Hopkins and Council Vice-President Favicchio -4. The following being recorded as voting “nay”: Councilmember Brady -1.

Resolution offering free Child Care at City Council and City Council Committee Meetings. Sponsored by Councilmembers Stycos, Donegan and Vargas.

Councilmember Donegan motioned to recommend approval of the above Resolution. Councilmember Brady seconded the motion for discussion.

Under Discussion:

Director Strom stated that per discussion with our insurance carrier, he has concerns regarding this Resolution, such as designated premises, COVID-19 liability, daycare instructors must be hired by the City and must be City employees. Because of all these concerns, he is very hesitant about this.

Chair questioned why we would need a daycare for people to come to a meeting. He thinks it is going to be a hefty burden on the City to set up a daycare during meetings.

Roll call was taken on motion to recommend approval of the above Resolution and motion failed on a vote of 1-4. The following being recorded as voting “aye”: Councilmember Donegan -1. The following being recorded as voting “nay”: Councilmembers Brady, Paplauskas, Hopkins and Council Vice-President Favicchio -4.

MISCELLANEOUS BUSINESS:

- **Economic Development – Marketing Line Item Budget Correction (Councilmember Donegan)**

Councilmember Donegan stated that he received a call from Economic Development Director Larry DiBoni requesting that the line item be changed back to “Marketing”.

Solicitor stated that this could be done as a correction and be considered a scrivener's error.

Councilmember Donegan stated that during the budget process, there was a concise vote in the budget. He does not think it was a scrivener's error. The body voted on this. We can't go back and change something that was voted in the budget.

Chair stated that the intent of this line item is the same.

Councilmember Stycos stated that he does not think we can amend the budget after it is passed.

Solicitor stated that under the umbrella of "Marketing", it could be considered a scrivener's error. Councilmember Stycos stated that it is not "Marketing" anymore.

Chair stated that we are not changing any dollars and cents. We may have to change this by Ordinance, if necessary.

Solicitor stated that if the City Council believes an Ordinance is needed, we can do that. He can draft the Ordinance.

Chair asked what this will do to Economic Development, will the Director be able to pay those bills. Director Strom stated, yes.

- **Motor Vehicle Tax Abatements**

No one appeared to speak in favor or to oppose.

On motion by Councilmember Donegan, seconded by Councilmember Brady, it was voted to recommend approval of this list of Tax Abatements as recommended by City Assessor. Motion passed unanimously.

- **Tax Interest Waiver Approvals**

No one appeared to speak in favor or to oppose.

On motion by Councilmember Paplauskas, seconded by Councilmember Brady, it was voted to recommend approval of this list of Tax Interest Waiver Approvals as recommended by City Treasurer. Motion passed unanimously.

The meeting adjourned at 10:00 p.m.

Respectfully submitted,

/s/ Rosalba Zanni
Assistant City Clerk/Clerk of Committees