

**PORTSMOUTH TOWN COUNCIL MEETING**  
**JANUARY 28, 2017 (Saturday)**  
**AGENDA**

TOWN COUNCIL: Keith E. Hamilton, Kevin M. Aguiar, David M. Gleason,  
Paul F. Kesson, J. Mark Ryan, Linda L. Ujifusa

ABSENT MEMBER: Elizabeth A. Pedro

SCHOOL COMMITTEE: Terri Cortvriend, Emily Copeland, Frederick Faerber III,  
Andrew Kelly, Allen Shers, Thomas Vadney,  
John Wojichowski

LEGISLATORS: Senator James Seveney, Representative Susan Donovan  
(arrived at 9:10), Representative John Edwards, Represent-  
ative Dennis Canario, Representative Kenneth Mendonca

OTHERS PRESENT: Richard Rainer, Ana Riley, David Faucher,  
Christopher DiIuro, Gary Crosby, Jacqueline Schulz,  
Jennifer West, Amanda Lawson

9:00 AM – PORTSMOUTH HIGH SCHOOL LIBRARY, 120 EDUCATION LANE

Time: 9:05 AM

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was followed by a Moment of Silence for our men and women around the world in harm's way.

SITTING AS THE PORTSMOUTH TOWN COUNCIL

**NEW BUSINESS**

NB1. Discussion/Action - Legislative Priorities for 2017

1. Elimination of the Car Tax. *Elimination of the Car Tax represents a loss of over \$2M in tax revenue to Portsmouth. If enacted, the legislation must include a State plan to replace lost revenue to impacted municipalities. Plan also needs to include an escalator to replace future revenue that will be lost.*

Rep. Edwards commented that it's a percentage plan, distributed equally among the cities & towns

2. Sakonnet River Bridge Tolls— Provide permanent legislation that blocks the installation of tolls on the Bridge. The current Rhode Works plan calls for moving gantry's to areas that need work. Studies have shown the tremendous negative impact tolls on this bride will have on Portsmouth and Aquidneck Island.

Rep. Edwards stated that the only way to bar a toll is by a constitutional change, it's not a General Assembly issue. 17 locations have been identified to possibly put gantries and none are in the East Bay.

3. Portsmouth Road Project— While we appreciate the repairs scheduled for the northern section of East Main Road, the entire stretch needs to be paved ASAP. Year after year the stretch continues to deteriorate and become more dangerous. We need the entire length paved this year.
  - a. Town Center—We also a complete update on the status of the Town Center Project and the design funding money accounting. Senator Reed secured funding to help the design phase and we were promised a presentation and update last year and it never happened.

Rep. Edwards stated that East Main Road is scheduled to receive \$88.5 million over the next 10 years in RhodeWorks, the first section to be done next spring. Also, the demolition of the Sakonnet River bridge is scheduled for next year. Rep. Canario will talk to DOT to put in the contract a regulation to repave the entire lane so the seam is in the middle of the road.

4. Housing Aid Reimbursements. From Chris DiLuro (School Department Finance director). Here are some thoughts to consider for legislative priorities:
  - a) The state sets the reimbursement rate for each municipality on an annual basis based on each community's ability to pay. There is a minimum state share, currently set at 35%. I have attached a schedule that shows the FY17 reimbursement ratios for each town. As you will see, 20 of the 36 Towns are at the minimum state share. It would be very beneficial to raise the minimum to something more substantial, say 50%. There might be a lot of support for this change from the other 19 minimum state share communities.
  - b) Regarding the funding sources for housing aid eligible projects...It is not my understanding that funds must be borrowed/bonded to qualify for reimbursement. I believe that as long as a school/town transfers any operating funds (e.g. fund surplus) that it wants to use for capital projects to a Capital Projects Fund and actually expends the funds from the Capital Projects Fund and not the General Fund, then the projects are housing aid eligible. This is what the schools have done for the recent boiler projects and I have discussed this many times with the folks at RIDE that administer the housing aid program. They never raised any issues with our doing so.

- c) Regarding borrowing for projects...if a Town wants to get housing aid reimbursement on the interest portion of borrowings related to capital projects it must borrow the money through RIHEBC. Borrowing from other sources is allowed but interest will not be reimbursed.

FY 2017 Housing Aid Ratios

		Foster	0.38	New Shoreham	0.35
Barrington	0.35	Glocester	0.35	North Kingstown	0.35
Burrillville	0.57	Jamestown	0.35	North Providence	0.54
Central Falls	0.96	Johnston	0.35	North Smithfield	0.35
Coventry	0.50	Lincoln	0.35	Pawtucket	0.83
Cranston	0.49	Little Compton	0.35	Portsmouth	0.35
Cumberland	0.42	Middletown	0.35	Providence	0.83
East Greenwich	0.35	Narragansett	0.35	Scituate	0.35
East Providence	0.55	Newport	0.35	Smithfield	0.35
South	0.35	West Warwick	0.66	Greenwich	
Kingstown					
Tiverton	0.35	Woonsocket	0.88	Chariho	0.61
Warwick	0.35	Bristol Warren	0.63	Foster-Glocester	0.50
Westerly	0.35	Exeter-West	0.61		

5. Legalization of recreational marijuana. Our Chief of Police believes the State Legislature may be considering retail sale of recreational marijuana this year (based on news reports). Portsmouth has one of only three medical marijuana dispensary locations in the state. Tom feels strongly Portsmouth would be negatively impacted if retail sale is legalized. He makes the point that Portsmouth has made positive progress in our children's reported marijuana use over the past year and believes these reductions would be lost if recreational use of marijuana were to be legalized. He also points out the potential negative affect on road safety due to more impaired drivers and no recognized standard test for driving while under the influence of marijuana.
- a. Dare & SRO's —We would also like to see a sustainable and permanent funding of drug prevention programs and State financial support for SRO's in our Schools. We have seen a reduction in the use of drugs since we have instituted our SRO's and feel that financial support from the State could only help our children here in Portsmouth and across the State.

Rep. Edwards commented that RI can legalize it or we can deal with MA's problems without any funding for it. Rep. Mendonca mentioned that all positions in Federal/Defense industry will be retiring in the next 5-7 years and will need to be replaced and we may not have the population to do so should legalization happen.

6. Unfunded mandates with respect to fire and public safety. The Fire Chief suggests legislation be implemented which would require a financial impact study for municipalities be conducted before any changes are implemented for the RI Statewide Emergency Medical

Services protocols. Recently, changes to the protocols were introduced by the DOH and will be implemented over the next few weeks. This is in the middle of most municipalities' fiscal year. These changes will cost Portsmouth approximately \$20 k this year in the middle of the budget season. He is sure the impact must be even more significant in larger communities. He is not opposed to the changes (they are recommended by healthcare experts in our state and should improve patient outcomes) but the financial impact and timing of the implementation is not where it should be in his opinion.

Sen. Seveney mentioned that, in terms of everything on this list, they are now demanding a fiscal analysis of every respective legislation that comes through so the legislator can see what it will cost and where the money is coming from. Dr. Ryan mentioned that Sen. Seveney's bill will take care of health costs by instituting statewide global funding for emergency medical services.

7. School Bus Seatbelts. The Fire Chief would like to see the Town of Portsmouth support legislation that would require the installation and use of seatbelts on all school buses in the state. He believes it will improve public safety in regard to the many children who ride buses throughout the state and here in town.

Ms. Cortvriend said the School Committee feels that there are just as many cons as there are pros to having seatbelts on buses. Rep. Canario explained that it's for all new buses coming on line, not existing buses. The legislation does address the liability issue.

8. Expansion of CCSLP Funding. Expand funding for the Rhode Island Infrastructure Bank to ensure there is sufficient funding to finance the CCSLP program.

Mr. Crosby noted that the RI Infrastructure Bank has committed \$2.5 million earmarked for Portsmouth in \$300K increments.

9. Cesspools. Extend the ban on cesspools in the Rhode Island Cesspool Act of 2007 to include all cesspools statewide.

Rep. Edwards stated that an amendment to the Cesspool Act last year, has mandated all cesspools across the state need to be replaced within 1 year of sale.

10. Defense Highway and Stringham Road. Lobby the State to takeover of Defense Highway / Stringham Road from the Navy.

11. Melville / Tank Farms area. Allocate State funding to establish a Melville Utility District to provide water, and wastewater treatment to the Melville / Tank Farms area.

Rep. Edwards – First, we need a more definitive plan with regards to both #10 & #11 and what the benefit to the state would be. Second, get a hold of the Clean Water people. They may be able to guide you to federal funding.

12. LMI Housing. Update the Low / Moderate Income Housing Act (R.I.G.L. 545-53) to remove impediments toward compliance by municipalities and those wanting to develop LMI housing.

We ask legislators to review and possibly update the Low / Moderate Income Housing Act (R.I.G.L. 545-53) to include trailer park homes to count for compliance by municipalities.

Rep. Mendonca said that Rep. Roberts is working on a bill that will include trailers & mobile homes in the calculation for low to moderate income housing.

13. Workforce education and development. Support state programs at the local level to improve workforce education and development.

Rep. Donovan said there is an active committee working on workforce development. Rep. Mendonca noted that there are several line items in the budget for workforce development. Rep. Edwards said that trade unions are looking to expand.

14. Climate change mitigation funding:

We ask legislators to research getting federal and state funding directed to Portsmouth similar to that which was given to South County. See <http://www.providencejournal.com/news/20161113/army-corps-proposes-lifting-341-buildingsalong-ri-coast--poll>

Rep. Edwards will address with the Federal delegation.

15. Tax cuts for low/middle income residents and small businesses

Since 2006, RI has given significant tax cuts to the wealthy (i.e., people who earned over \$336,550 annually). See, e.g., <http://www.politifact.com/rhode-island/statements/2015/feb/08/nicholasmattiello/house-speaker-nicholas-mattiello-says-rhode-island/> While it has been argued that these cuts improved the RI economy in some "trickle down" fashion, credible evidence to support this notion does not exist. In fact, states who have tried sweeping tax cuts on the wealthy have suffered catastrophic economic problems (e.g., Kansas). See <http://www.rifuture.org/ris-tax-cuts-for-the-rich-were-2ndbiggest-of-decade/>

Although we may all know people who say they are leaving RI because income taxes are lower elsewhere, other factors likely have more influence on where people choose to move (e.g., weather, house prices, quality of life, etc.). See <http://www.cbpp.org/sites/default/files/atoms/files/8-4llsfp.pdf> Moreover, in those states without income tax, higher costs are imposed on their residents in other ways (e.g., sales taxes) and research shows such states are not enjoying promised economic growth. See <http://www.bankrate.com/finance/taxes/state-with-no-income-tax-better-or-worse-l.aspx>

To the extent that low/middle income residents will quickly spend their tax savings, the Rhode Island economy will benefit significantly. See <http://www.forbes.com/sites/taxanalysts/2015/04/24/tax-cutsfor-the-rich-dont-create-many-jobs-but-what-about-tax-hikes/#7d168f874ed5>

We ask our state legislators to reverse the 2006 tax cuts to the wealthy to fund the following cuts:

- a. Lower state income taxes for low and middle income residents;
- b. Lower state taxes on small businesses (e.g., by eliminating the flat tax rate to reduce the tax rate and minimum tax currently imposed on small businesses, reinstating the tax credit for subchapter-S corporations in "enterprise zones," etc.); and
- c. Eliminate the car tax AND ensure the state compensates towns for lost revenues.

#### 16. Limit corporate welfare

Another way to fund state tax breaks for middle and low income residents is to limit "corporate welfare." The desire to lure large corporations to come to or stay in Rhode Island has moved many legislators to favor awarding them tax breaks and other incentives with relatively no obligations to the state. CommerceRI, for example, has handed out over \$50 million in 2015-16. [http://wpri.com/2016/06/27/commerce-ri-has-handed-out-50m-under-raimondo-heres-a-listof-all-90-awards/?cid=twitter\\_tednesi](http://wpri.com/2016/06/27/commerce-ri-has-handed-out-50m-under-raimondo-heres-a-listof-all-90-awards/?cid=twitter_tednesi) . Unfortunately, these handouts have not been justified by benefits to Rhode Island's economy. See <http://www.rifuture.org/failed-economic-policies/>

And tax credits, such as the millions of dollars given to CVS, seem particularly unjustified given it laid off 250 employees in RI in November 2016. <http://www.politifact.com/rhodeisland/statements/2013/feb/24/gary-sasse/gary-sasse-says-90-percent-35-million-tax-credits-/>

The alternative to a RI-style corporate welfare is a program such as the one in Massachusetts MassWorks, a \$500 million program to invest in public infrastructure to support private business. See <http://www.providencejournal.com/opinion/20161011/sam-bell-mass-has-betterplan-than-ri>. In Massachusetts, there are very few cash transfers and the bang for the buck is much larger. For example, the cost to Massachusetts to create a job under their Economic Development Incentive Program was \$4,560, whereas a job created in RI through its corporate welfare costs about \$35,400 — almost 8 times more. In addition, in RI, development is often held up because there is not enough money to do big projects and we are forced to consider private infrastructure construction (e.g., in Newport's Pell Bridge realignment). While MassWorks is not perfect, it is a model whose better qualities RI should consider adopting and could definitely benefit Portsmouth. Instead of no-strings-attached corporate welfare, we ask our legislators to:

- a. Stop giving tax breaks or handouts to large corporations where there are no reasonable quantifiable benefits to our citizens;
- b. Create a MassWorks-style state entity that helps private business by investing in public infrastructure; and

- c. Support local programs that work to improve workforce education and development.

Rep. Edwards mentioned that they haven't been giving corporate handouts with no strings attached for the last few years and we have brought in jobs.

#### 17. Portsmouth Historical Society and Library Support

We ask legislators to seek funding to preserve state historical documents and items located in Portsmouth (e.g., provide funding for the Portsmouth permanent collection housed at the Portsmouth Library). See <http://portsmouthhistorical.org>

The Portsmouth School Committee respectfully asks our legislators to support the following issues during the 2017 Legislative Session. (Not provided prior to meeting)

#### 1. Legalization of recreational marijuana.

Our Chief of Police believes the State Legislature may be considering retail sale of recreational marijuana this year (based on news reports). Portsmouth has one of only three medical marijuana dispensary locations in the state. Chief Lee feels strongly Portsmouth would be negatively impacted if retail sale is legalized. He makes the point that Portsmouth has made positive progress in our children's reported marijuana use over the past year and believes these reductions would be lost if recreational use of marijuana were to be legalized. He also points out the potential negative affect on road safety due to more impaired drivers and no recognized standard test for driving while under the influence of marijuana.

#### 2. Housing Aid Reimbursements. Here are some thoughts to consider for legislative priorities:

a) The state sets the reimbursement rate for each municipality on an annual basis based on each community's ability to pay. There is a minimum state share, currently set at 35%. I have attached a schedule that shows the FY17 reimbursement ratios for each town. As you will see, 20 of the 36 Towns are at the minimum state share. It would be very beneficial to raise the minimum to something more substantial, say 50%. There might be a lot of support for this change from the other 19 minimum state share communities.

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Lincoln	0.35	Smithfield	0.35
Little Compton	0.35	South Kingstown	0.35
Middletown	0.35	Tiverton	0.35
Narragansett	0.35	Warwick	0.35
Newport	0.35	Westerly	0.35
New Shoreham	0.35	West Warwick	0.66
North Kingstown	0.35	Woonsocket	0.88
North Providence	0.54	Bristol Warren	0.63
North Smithfield	0.35	Exeter-West Greenwich	0.61
Pawtucket	0.83	Chariho	0.61
Portsmouth	0.35	Foster-Glocester	0.50

### 3. No Statewide Teachers Contract:

The Portsmouth School Committee does not think that a statewide teacher's contract is in the best interest of the taxpayers, students or employees of Portsmouth. Local communities should be able to negotiate their own contract. Especially those communities that pay for over 50% of the education burden via property taxes. When the state pays for over 50% of the cost of running the Portsmouth school district, then the state is free to go to a statewide contract.

### 4. No Binding Arbitration:

We request that our legislators reject any future bills giving teacher unions the right to binding arbitration for teacher contracts.

### 5. Support the School Building Infrastructure Bond:

We urge your continued support for a substantial bond issue to be used exclusively for school infrastructure improvements and replacements in the state's public school system. The statewide infrastructure improvement needs exceed \$1.5 billion with most of that needed in Providence.

Aside from the need, it would also be a construction stimulus for the RI economy with associated economic multiplier effect.

#### 6. Support an Increase in State Funding for High Cost Special Education Students:

The cost of special education for even one intensive needs special education student can wreck a well-managed school budget. In light of this fact, we request the state address this issue by creating a consistent funding mechanism that kicks in when costs for any individual student exceeds a specified threshold and that districts can count on in a reliable manner.

#### 7. Study and Change How DCYF Handles Responsibility for Students in Their Care:

On a related topic we also encourage our legislators to modify how DCYF handles students under their care. DCYF should accept financial responsibility for children under their care. DCYF should be responsible for the tuition of students in their charge.

#### 8. Support Legislation that Limits the Amount of Funding Provided to Charter Schools from District Budgets:

While the Portsmouth district has not been significantly impacted, we support our fellow public school committees in their call to limit the funding of charter schools that is taken from district budgets. School districts are responsible for many costs that do not apply to public schools and that funding formula needs to be reworked.

#### 9. The same rules should apply to both School Committees and Town Councils:

School committees should be permitted to amend their agendas in the same fashion as other public bodies in our state. Please change RIGI- 4246-6b by removing reference to the school committees.

The Portsmouth School Committee believes that Town Council members should be required to participate in the same number of hours of professional development that are required for school committee members. With their important duties and responsibilities our state's Town Councils would benefit from having their members participate in professional development. We encourage you to take up legislation that would make this requirement the same for both branches of town government.

#### 10. Professional Development

School Committees are required to annually undertake a minimum of six (6) hours of professional development as set forth and described in § 16-2-5.1. This provides a structure to perform the duties required to effectively perform our roles as committee members. We recommend professional development requirements for city and town council members for the same purpose.

#### 11. Funding Formula

We urge the legislature to carefully study the recommendations that have recently been brought to the governor by the committee she established to review the funding formula. Per their recommendations we would encourage you to support adding funding for special education and English language learners but to not support merely a reallocation of funds which will further reduce the funding Portsmouth receives from the current formula.

#### 12. Prevention Coalition Funding

Currently the state requires cities and towns to have a prevention coalition, however, there is no state funding to support any programming. We believe in these prevention efforts and agree they improve the quality of life for our citizens, but state funding should support the mandate.

#### 13. Support funding for Safety and Security Improvements

Schools operate in an environment where student safety and security is the top priority. Yet the current culture consists of threats of violence both electronically and via telephone, in addition there have been too many instances of actual violent attacks on school campuses. The costs to update and firm up the outer envelope of our school are above and beyond the regular maintenance of our buildings and require incremental funding. We recommend a separate reimbursement or grant opportunities from the state to fund these improvements.

#### 14. Background Checks

The School Committee recommends a change in the legislation to require regular (every 3 years) updates to background checks. This would provide the most current information on all employees. Again adding to the safety of our students and schools.

#### 15. Evergreen Contracts

No rollover contracts

#### 16. No Pay to Play

The School Committee supports the continued support of the legislature to uphold the “No Pay to Play” legislation.

#### 17. Bus Monitors

The School Committee supports the continued support of the legislature to uphold the requirement of Bus Monitors on buses for elementary students.

Break 10:40

Return 10:49

## NB2. Joint Town Council/School Committee Budget Discussion

Mr. Faucher spoke about the Town infrastructure.

Mr. DiIuro spoke about the School Department infrastructure. We are entering the 3<sup>rd</sup> year of the 5 year plan. The 4<sup>th</sup> grade will be moving to the elementary school. We will not be changing boundaries, the 3<sup>rd</sup> graders will just stay where they are.

Mr. Faucher stated that it's important to keep a strong reserve for a number of reasons, the main reason is AAA bond rating. More reserve makes us look stronger financially.

Mr. Rainer pointed out that the reserve is used as an indicator of the health of the finances of the town.

President Hamilton applauded Mr. Rainer and Superintendent Riley, we do much better working together than being adversarial.

Mr. Rainer said the Town and School are synchronized with regards to the Capital Plan.

### **FUTURE MEETINGS**

February 13 7:00 PM – Town Council Meeting

February 27 7:00 PM – Town Council Meeting

March 13 7:00 PM – Town Council Meeting

March 27 7:00 PM – Town Council Meeting

Motion to Adjourn by Mr. Faerber, seconded by Mr. Kesson. All voted in favor.

### **ADJOURN**

Time: 11:25 AM

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Jennifer M. West Town Clerk