

Special Financial Town Meeting
March 16, 2017 at 7:00 P.M.
Barrington High School Auditorium

Total Eligible: 14,501
Attendance: 299 @ 7:07 P.M.
646 @ 7:39 P.M.
747 @ 7:50 P.M.
907 @ 8:06 P.M.
1049 @ 10:00 P.M.

Present:

- **Town Moderator:** Julia P. Califano
- **Town Clerk:** Meredith J. DeSisto
- **Town Council:** President Michael W. Carroll, Vice President Kate G. Weymouth, Steven J. Boyajian, Peter Dennehy and Steve B. Primiano
- **Town Manager:** James J. Cunha
- **School Committee:** John D. Alessandro, Jr., Kate D. Brody, Anna Clancy, Meagan P. Douglas and Gina Pine
- **School Superintendent:** Michael B. Messore, III
- **School Director of Administration and Finance:** Ronald D. Tarro
- **Finance Director:** Kathy Raposa
- **Town Solicitor:** Michael Ursillo, Esq.
- **Building Committee Co-Chairs:** Patrick Guida and Marc Zawatsky
- **Representative Kastle Boos Architect, Associates:** Larry Trim
- **Representative Peregrine Group (Project Management):** Sam Bradner

Not Present: School Committee Member, Anna Clancy

Moderator Julia Califano welcomed all to the Special 2017 Financial Town Meeting. Mrs. Califano said that she was asked by the Fire Chief to point out the emergency exits in the back and the two in front by the stage. Bathrooms are available in the corridors outside the auditorium.

Mrs. Califano declared that there was a quorum (299) present and called the meeting to order at 7:32 PM. She asked all to please rise and join her in the pledge of allegiance.

Before we begin, she wanted everyone to take note of the fact that long-time Barrington resident David Bates died last week after serving the Town for more than forty years on the planning board, as a member and president of the Barrington Town Council and as our State Senator. His service to the town left it a better place, and I would ask that you join me in a moment of silence in his honor.

Thank you and thank you for braving the unseasonable weather to come out to this Special Financial Town Meeting.

Mrs. Califano introduced herself and explained that she is Barrington's elected town moderator. By Rhode Island law, she has sole authority to regulate Barrington's Financial Town Meeting.

The rules for this meeting are established by RI law, the Barrington Town Charter and this book called "Town Meeting Time". RI law and these rules do not allow any motions to limit or shut-off debate, and this meeting cannot be dissolved until your questions are answered and a vote on the resolution is completed.

Meredith DeSisto is the Barrington Town Clerk and will keep the official record of what we do here. Mrs. Califano explained that there are two microphones for use to make comments or ask questions...but please give your name and address for the record before beginning your remarks.

Mrs. Califano thanked Mike Davis for being here to tape these proceedings for Full Channel television, and Nahum Mitnik, who is again managing the sound system. She explained that we have a section (in front, to my left) reserved for non-voting guests including non-resident employees, students from Barrington High School and members of the press, and we have a live feed in the high school cafeteria for anyone who cannot be accommodated in the auditorium.

Mrs. Califano said that many of our elected and appointed officials are here on the stage. Mike Carroll is president of the Barrington Town Council and will introduce the other council members, the town manager, finance director and solicitor. (Kate Weymouth, Steve Boyajian, Peter Dennehy, Steve Primiano. James Cunha, Kathy Raposa, Mike Ursillo).

Kate Brody is chair of the Barrington School Committee and will introduce the other committee members, the superintendent and school finance director (Megan Douglas, John Alessandro, Gina Pine and (it was noted that Anna Clancy is absent) Michael Messore, Ron Tarro).

Mrs. Califano said that the co-chairs of the Middle School Building Committee are also on the stage, Patrick Guida and Marc Zawatsky will introduce the representatives from the architectural and project management firms. (Kaestle Boos Larry Trim, and Sam Bradner.)

Mr. Guida described the formation and components of the Building Committee. Mr. Guida explained that the first building committee meeting was scheduled in 2010 and consisted of 19 members. Mr. Guida said that Anna Clancy is another Co-chair of the committee.

Mrs. Califano introduced Pam Lauria and Joan Warren, representing the Barrington Democratic and Republican Town Committees respectively, and serving this evening as timers, and we have three members of the Board of Canvassers (Claire Boyes, Dan O'Mahony, Martha Wallick) as well as four sets of tellers to help with the voting. She said we will be voting tonight mostly by standing or voice vote, but we are prepared to use paper ballots if that is requested and approved by 20% of those present and voting.

Mrs. Califano said that all questions and motions should be directed to me, and everyone will be allowed 3 minutes to ask a question, speak to a motion or make a comment. Our timers will warn you when you have 30 seconds remaining. In order to allow for as many questions and as much debate as possible, Mrs. Califano asked that there should not be any applause.

Mrs. Califano said, if you wish to be recognized, raise your hand or line up behind one of the microphones, and please state your name and address before asking your question or making your statement.

Mrs. Califano explained the subject for tonight's special Financial Town Meeting is whether or not to allow the Town of Barrington to exceed the state mandated 4% annual tax levy ceiling in order to pay the debt service on the bond to build a new Barrington Middle School.

She said, although we will be meeting again in May to approve the Town and School operating budgets, we are considering only this resolution tonight because:

1. Waiting for approval in May would delay the final design and bid phase of the Middle School project by several months.
2. Interest rates are expected to rise and would increase the cost of repaying the bonds, and
3. Delays to the ambitious construction schedule and completion date of September 2019 could be costly.

In other words, the Town is trying to save some money.

The State has given its approval for Barrington to exceed the 4% tax levy limit by a maximum of \$2,899,572, and the Town Council gave its unanimous approval in January. Mrs. Califano said first on the agenda is the reading of the call or warrant. Because the call is printed and before you as well as incorporated in the resolution, I would entertain a motion to dispense with the reading of the call.

Motion by Patrick Guida and a second from the floor.

Voice vote. Motion passed.

Mrs. Califano said that the next item on the agenda is the reading and moving of the resolution. School Committee chairman Kate Brody will move the resolution.

Motion by Mrs. Brody and seconded by Mr. Guida to adopt the following resolution:

Resolution of the special Financial Town meeting granting approval to exceed tax levy limit pursuant to Rhode Island General Laws Section 44-5-2(d)(3) due to increase in debt service expenditures for bonds issued under school bond special act approved by the electors of the Town and making an appropriation not to exceed \$2,899,572.

WHEREAS, Rhode Island General Laws Section 44-5-2 limits the amount by which a city or town may increase its tax levy unless it qualifies for certain exemptions relating to loss of non-property tax revenue, emergencies, payment of debt service and substantial increase in the tax base necessitating significant expenditures; and

WHEREAS, for the fiscal year ended June 30, 2013 and thereafter, the tax levy cap is four percent (4%) in excess of the prior year levy (the "Tax Levy Cap"); and

WHEREAS, pursuant to Section 44-5-2(d)(3), the amount levied by a city or town may exceed the Tax Levy Cap described above if (a) the city or town forecasts or experiences debt services expenditures which exceed the prior year's debt service expenditures by an amount greater than four percent (4%) and which are the result of bonded debt issued in a manner consistent with Rhode Island general law or a special act and (b) the Rhode Island Department of Revenue certifies the debt service increase; and

WHEREAS, pursuant to Rhode Island General Laws Section 44-5-2(e), any levy in excess of four percent (4%) must be approved by the affirmative vote of at least four-fifths (4/5) of the Barrington Town Council and by the majority of electors present and voting at a town's financial town meeting; and

WHEREAS, on November 8, 2016, the electors of the Town of Barrington (the "Town") approved "An Act authorizing the Town of Barrington to finance the acquisition, construction, furnishing and equipping of a New Middle School and all expenses incident thereto, including but not limited to costs of design, demolition, athletic fields, landscaping and parking by the issuance of not more than \$68,400,000 bonds, notes and/or other evidences of indebtedness therefor, subject to approval of State Housing Aid at a reimbursement rate of not less than 35% for expenditures eligible for reimbursement" (the "School Bond Special Act"); and

WHEREAS, the Town Finance Department estimates, based on projected debt service for the bonds issued under the Special School Bond Act, that the Town's debt service for the fiscal year ending on June 30, 2018 will exceed the debt service for the fiscal year ending June 30, 2017 by more than four percent (4%) and will cause the Town to exceed the Tax Levy Cap.

NOW THEREFORE, Be it resolved that

A tax levy increase in excess of the Tax Levy Cap for the fiscal year ending June 30, 2018 is hereby approved as required by Rhode Island General Laws Section 44-5-2(e) due to forecasted debt service expenditures for the fiscal year ending June 30, 2018. The electors hereby approve an increase in the tax levy for the fiscal year ending June 30, 2018 in the amount of \$2,899,572 in excess of the Tax Levy Cap, and hereby make an appropriation not to exceed \$2,899,572 for the payment of increased debt service for bonds issued under the School Bond Special Act approved by the electors of the Town.

This Resolution shall take effect upon passage.

Mrs. Brody spoke to the motion/resolution:

Last November, by a vote of 6003 to 3404, Barrington voters approved the bond referendum to build a new middle school.

The outcome of that election conveys the voice of strong support from our community that now is the time to replace the existing Barrington Middle School.

We are here this evening to complete the final step in the process of securing approval for that bond; the sole purpose for this Special Financial Town Meeting.

The limited scope of tonight's meeting is a vote to allow the Town to exceed the tax levy maximum increase of 4% set by State law. This is necessary because the annual debt service payments on the bond to build the new middle school will exceed the 4% tax cap by itself. The language of the resolution adheres to the State law mechanism allowing the Town to exceed the cap for just such situations.

This process has multiple steps, involving multiple governing bodies.

On January 9, 2017, the Barrington Town Council, by unanimous vote, approved a motion to exceed the 4% tax cap, provided that the State of Rhode Island approve exceeding the 4% cap pursuant to RIGL 44-5-2. The School Committee is grateful for the support of the Town Council in taking that step to move this project forward for our community.

The mission of the Rhode Island Health and Educational Building Corporation is "to aid eligible institutions in the educational and healthcare fields in Rhode Island gain access to capital, to remain proactive in developing cost effective programs, offering staff assistance and providing technical resources that benefit these institutions."

Pursuant to this mission, on March 2, 2017, the Rhode Island Health and Educational Building Corporation, by unanimous vote, granted final approval and adopted an authorizing resolution for the Town of Barrington, Series 2017 bond issue and appointed an Investment Banker for the Town of Barrington, Series 2017 bond issue. The timeline for the Health and Educational Building Corporation approval process was as follows:

- January 12, 2017. The Corporation accepted an application from the Town of Barrington and appointed Bond Counsel and a Financial Advisor.
- January 26, 2017. The Corporation granted preliminary approval for the Town of Barrington, Series 2017.
- March 2, 2017. At this meeting, the Financial Advisor, in his comments to the Corporation, noted the strong financial status of the Town, its healthy reserves, strong credit, AAA rating from Standard and Poor (updated 2016), AA1 rating from Moodys (updated 2015), and cited Barrington as the highest rated community in Rhode Island.

The Health and Educational Building Corporation meetings were attended by a team that included the Building Committee Co-Chairs, Superintendent of Schools, Director of Administration and Finance for the Barrington Public Schools, Town Finance Director, and School Committee Chair. We thank our municipal colleagues for their partnership with this important work for the future of our community.

We now have the approval of the Town Council and the State to issue the bond. The final step in the process that began with voter approval on November 8 is approval by a majority of voters at this meeting.

The bond will not be issued without approval at this Special Financial Town Meeting.

In other words, despite the affirmative voter referendum last November, if this resolution is rejected tonight, the project will not proceed because there will not be financing available to build a new middle school.

Extensive repairs and system upgrades to the existing middle school will instead need to be financed to bring the school into compliance, but this investment would not address the modernization and curriculum needs.

The School Committee and the Administration share a strong sense of urgency about the critical need to move this project forward now.

I would like to recognize the Co-Chairs and members of the BMS Building Committee, including members of the Administration and our educational leadership team, who have invested countless hours, over a number of years, in building a strong foundation for this project.

The School Committee is most appreciative of their dedication to and investment in the future of our community.

I'd like to invite Mr. Patrick Guida, Co-Chair of the BC, to share the BC perspective

about the critical timing of this resolution and an update about the project.

Superintendent of Schools Mr. Michael Messore will provide an update about the current status of the building in light of the extreme weather event of earlier this week.

Mr. Patrick Guida explained the importance of this Special Financial Town Meeting and the critical factors:

- Interest rates are rising – could have a significant impact on the project. Delaying could cost \$150,000 a month.
- Current construction timeline is very ambitious and students will be in the new building in September of 2019.

School Superintendent Michael Messore said:

This week we had several leaks within the Barrington Middle School due to the severe storm; but, school will reopen tomorrow (March 17, 2017).

Finance Director Kathy Raposa said the following:

There are three situations to exceed the tax cap:

- An emergency situation.
- A decrease in non-tax revenue
- Or, a increase in debt service.

Mrs. Raposa said that this will not happen every year because it is built into the budgets in the future.

Mrs. Califano said that the resolution is now open for discussion, and because we have no pre-filed motions, no motion to amend the resolution by more than \$50,000 will be accepted.

The following spoke regarding the above motion:

Malcom Sockut, 12 Wildflower Road, not building a new middle school will not reduce house values; will not reduce student's grades; and will not reduce teachers. Mr. Sockut asked questions regarding the 4% tax levy – has this been done before; question concerning the costs associated with building a new school; and, if there has ever been a project in Rhode Island that has come in under budget.

Mrs. Califano stated that Barrington has never exceeded the tax cap because the tax cap only has been in place since 2013.

Discussion ensued with repairing the current building and the cost of renovating the building. Mr. Trim stated that the costs are greater because you work in smaller sections that include moving students into trailers.

William Carr, 93 Nayatt Road, discussed the square footage construction costs here in Barrington vs. in other states. Mr. Guida said that these costs are on the school website. Mr. Bradner said that the costs are comparable to neighboring states. Discussion ensued regarding the costs and bids.

Gary Morse, 2 Westwood Lane, said that he is concerned with senior citizens and the cost of this project and the threat that they may need to move out of town because they are unable to afford to live here. Discussion ensued with further tax exemptions and tax stabilization agreements. Mr. Carroll stated that at the last Town Council meeting the Council asked the Tax Assessor to review exemptions and to draft a proposal for relief. Mrs. Weymouth said that in 2013 the circuit breaker exemption was doubled. Discussion ensued regarding tax stabilization agreements.

Paul Beckwith, 277 New Meadow Road, discussed his potential tax bills in the future and the increases.

Sam Parish, 30 Oak Grove Avenue, discussed the "sick" building (Barrington Middle School) and the costs associated with renovations and repairs. Mr. Parish in in favor of a new building.

Gary Terrell, 11 Puritan Avenue, said that he is a chief estimator for schools. He said that the budget for the school is right in line.

Joel Hellmann, 13 Richmond Avenue, said that exceeding the 4% tax cap is bad. Discussion ensued with structural surplus accounts. Mr. Hellmann said that we may need a new school but we do not need to have a 9% tax increase. Mr. Hellmann said do not vote to override the 4% tax cap.

Erika Sevetson, 48 Chapel Road, said that we have a lot people here with young children and need to go home. Please begin to vote out of respect for these families.

Mrs. Califano stated that by state law we are not allowed to cut off debate.

Stacy Munzert, 18 Manning Drive, said that she is a teacher in East Greenwich and they didn't do what was right; we have to do what is right for our children.

Tom Ferdenzi, 24 Walnut Road, asked for clarification on the cost of the school at 68.4 million; what are the hard costs (78% - 53.2 mil), soft costs (18% -12.4 mil); furniture costs at approximately 2 million and a contingency of 5%. (Please note that Sam Bradner

announced the costs in the parenthesis).

Julie Owen, 16 Chachacapassett Road, is in favor of building a new school because this building is at the end of its life. Ms. Owen stated that we are in range compared to other schools. Do not put money into an old school then have to build a new one.

Robert Andreozzi, 511 Maple Avenue, (4th generation) said that he is opposed – you must be responsible and keep up with the upkeep of the buildings and you must come within budget. You have been elected and must be responsible.

Thomas Rimoshytus, 1 Howard Street, said that he has not heard one solid number these are just guesstimations.

Mrs. Califano said that at this time we do not have our operating budgets and we will not until May.

Motion by Mr. Rimoshytus for a paper ballot (when voters are finished speaking) and was seconded by Jim Cunha.

Kathleen Sander, 3 Abby Road, asked why this was not included in the referendum.

Town Solicitor Michael Ursillo stated that in November you voted for a new school but now you must vote to exceed the tax cap; according to state law, the Town Council must approve and you must have approval of the voters at a Financial Town Meeting to exceed the tax cap.

Mai Donohue, 10 Woodward Avenue, please think of your children and vote in favor because of the value of our schools.

Stephen Carlotti, 8 Sandy Point Road, asked about the timing of construction. Mr. Bradner said that we are in the middle of the design process and then will be going out to bid in October. Discussion ensued regarding timing of construction/bond process and the operating budget.

James Huang, 21 Great Road, questioned the cost of estimation of repairs; competition of developers; alternate proposals from other firms and the plan for the future. Mr. Trim said that we must go thru state guidelines; and, have more than one (1) design option. Mr. Trim said that these options are vetted through the state by cost and validating for the future. Must have two (2) independent estimates which is how the state bases their approvals. Mr. Trim said that the state looks for validity of the building in the future by the flexibility of the building and an analysis of the number of students in the future. Discussion ensued regarding the maximum of space for reimbursement from the state.

Deborah Jaffee, 17 Woodhaven Road, commented by saying, we may have a new building but may not have the state aid if we do not vote for this tonight.

Paul Barnett, 477 New Meadow Road asked why the exceeding of the cap was not included in the language at the time of the election (November).

Mr. Carroll said that state law does not provide for that and must go thru this particular process. The Town Council must vote with a 4/5 vote and then the voters at this special FTM.

Melissa Medeiros, 305 Maple Avenue asked why not a ballot, since this effects all voters and not all voters can be here this evening; then all cannot participate.

Mr. Ursillo said that state statute states that since we have a financial town meeting we must provide this process to the people so that a "debate" is included for the voter.

Melissa Angert, 4 Copper Kettle Lane said that this format is disenfranchised because some of us can only have one (1) family member that can vote while the other is home with their children. Please push this thru tonight but keep under budget.

Justin Deming, 40 County Road, stated that he moved here for the schools and you must invest in the future for the children.

Allan Klepper, 3 Henry Drive, said compliments to the committee for a good presentation. But also complimented Stephen Carlotti. He said we will have an opportunity to vote for our operating budgets in May.

Mary Teixeira, 5 Josal Drive, is concerned not for the new school, we need one, but said her concern is for the elderly. This is a 25 year bond and asks if all of you will be here for the future of the bond. You must stay invested and not leave when your children are through the school system. Some of these people have made a commitment to this town. Do not run out of town once your kid has graduated; stay here and put someone else's kid through school.

Thomas Brueckner, 4 Ellis Street asked if the bond will be issued before the annual financial town meeting in May.

Kathy Raposa said that yes, the bond will be issued before the May FTM. Discussion ensued regarding if this money will be automatically placed within the operating budget in May. Mrs. Raposa said that if voted and passed tonight the money for the bond will be included in the

budget for the FTM in May.

Peter Blanchard, 79 Walnut Road, we owe this to the kids in the future. He asked to trust this committee since they have worked on this for years.

Debbie Perugini, 6 Ferncliff Road, asked if you had a budget before designing.

Mr. Trim said we must start with the educational program and the population of the school; which is required by the state. Discussion ensued with other states and their tax caps and reimbursement rates.

Paul Rochelle, 955 County Road, asked what is in the fund balance.

Mrs. Raposa said that presently we have over 16.7 million in the unrestricted fund balance and a small balance in restricted, but, we need to retain this amount for the bond rating. Discussion ensued with bond participation notes.

Mr. Boyajian said that the town does not spend the money. It is that you decide with your vote and how to spend the money.

Ann Strong, 55 Teed Avenue, said that the finance director is correct that we will exceed the cap but we will be building a new baseline. We will be building a new middle school but we may lose a community. I will continue to vote against this bond.

Jodie Moltier, Mosher Drive, we want what is best. Please do not divide us whether you are young or old and know that this is about this community.

Robert Sowada, 32 Orchard Avenue, asked what if the bids come in over the 68.4 million.

Mr. Bradner said that we built a budget and we should remain within that budget.

Robert Hill, 68 Annawamscutt Road, said that BMS was built in a swamp. How much money can be saved if we built this building not back in the swamp or the peat bog. Mr. Bradner said that we have done extensive analysis.

Frank Lee, 10 Waverly Road, can you guarantee that there will be no mold, no settlement since this is an old peat moss bog.

Mr. Trim said that they have conducted chemical studies; yes we have found "unsuitables" but we have included the removing of "unsuitable" in the budget.

Mrs. Califano said that there is a motion to vote on this resolution by paper ballot. (Please see earlier in the evening the motion by Thomas Rimoshytus.)

Motion by Mr. Thomas Rymoshytus and seconded by Mr. Cunha to use a paper ballot system.

Mrs. Califano called for a standing vote to use the paper ballot system. Mrs. Califano stated that there were over 20% standing in favor, **the motion passed, to use the paper ballot system.**

Motion passed in favor to approve the resolution: 590 in favor – 349 opposed.

Motion to dissolve the Special Financial Town Meeting at 11:15 PM.

Motion passed (voice vote).

Meredith J. DeSisto, Town Clerk