

The Council of the City of North Royalton met in the North Royalton City Hall caucus room, 13834 Ridge Road on **February 7, 2006, at 7:30 p.m.**

PRESENT: President of Council Robert Stefanik, Council Representatives Denise Bobulsky, Vincent Gentile, Don Willey, Kurt McKee, Robin Zaccardelli, Lisa Uffman-Kirsch; Legislative Services Director Laura Haller, Finance Director Karen Fegan, City Engineer Clark Merdes, Office on Aging Director Debbie Duffy, Service Director Skip Mayer, Recreation Director Ed Swim.

Agenda reviewed.

It was agreed to place Ordinance 06-21 on second reading in order allow for the City engineer to inquire about making amendments to Section (c)(5) in both the legislation and agreement as requested by the Finance Director.

The Council of the City of North Royalton met in the North Royalton City Hall Council Chambers, 13834 Ridge Road on **February 7, 2006, in regular session.** The meeting was called to order at 8:00 p.m. by President of Council Robert A. Stefanik and opened with the Pledge of Allegiance.

PRESENT: Council: President of Council Robert Stefanik, Council Representatives Denise Bobulsky, Vincent Gentile, Don Willey, Kurt McKee, Robin Zaccardelli, Lisa Uffman-Kirsch; Legislative Services Director Laura Haller.

Administration: Mayor Cathy Luks, Law Director Thomas O'Donnell, Finance Director Karen Fegan, City Engineer Clark Merdes, Fire Chief Michael Fabish, Police Chief Paul Bican, Community Dev. Director Michael Kosdrosky, Office on Aging Director Debbie Duffy, Recreation Director Ed Swim, Service Director Skip Mayer, Wastewater Superintendent Charles Johnson.

ABSENT: Building Commissioner Rito Alvarez.

APPROVAL OF CONSENT AGENDA

- a. Approval of minutes: January 17, 2006
- b. 90-day extension Ordinance 05-166.
- c. 90-day extension sketch plan approval, Chesapeake Subdivision No. 5.
- d. Legislation:

RESOLUTION 06-15

Introduced by: Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch, Mayor Luks. **A RESOLUTION COMMENDING DALE KREJCI FOR OUTSTANDING COMMUNITY SERVICE.** Title read.

RESOLUTION 06-16

Introduced by: Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch, Mayor Luks. **A RESOLUTION COMMENDING JAY DRAKE FOR OUTSTANDING COMMUNITY SERVICE.** Title read.

RESOLUTION 06-17

Introduced by: Mayor Luks. **A RESOLUTION CONFIRMING THE MAYOR'S APPOINTMENT OF THOMAS J. KOCH AS A MEMBER OF THE CITY OF NORTH ROYALTON'S BOARD OF ZONING APPEALS, AND DECLARING AN EMERGENCY.** Title read.

RESOLUTION 06-18

Introduced by: Mayor Luks. **A RESOLUTION CONFIRMING THE MAYOR'S REAPPOINTMENT OF VICTOR BULL AS A MEMBER OF THE CITY OF NORTH ROYALTON'S PLANNING COMMISSION, AND DECLARING AN EMERGENCY.** Title read.

ORDINANCE 06-19

Introduced by: Bobulsky, Gentile, Willey. **AN ORDINANCE ACCEPTING A PERFORMANCE BOND FROM THE RLI INSURANCE COMPANY IN THE AMOUNT OF \$19,965.00 AS A GUARANTEE FOR THE FUTURE INSTALLATION OF SIDEWALKS IN THE PINESTREAM SUBDIVISION, PHASE 6, AND DECLARING AN EMERGENCY.** Title read.

- No one in the audience wished to have a legislative item removed from the Consent Agenda for discussion.
- No one on Council wished to have an item removed from the Consent Agenda for discussion.

Moved by Mr. Willey, seconded by Miss Zaccardelli to **suspend the rules requiring 3 readings and referral to committee for those legislative items on the Consent Agenda.** Roll Call: Yeas: **Seven** (Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch). Nays: **None. Motion carried.** Moved by Mr. Gentile, seconded by Miss Zaccardelli to **adopt the Consent Agenda as presented and read.** Roll Call: Yeas: **Seven** (Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch). Nays: **None. Motion carried.**

MAYOR'S REPORT:

Mayor Luks made the following statement to Council:

I would like to take the opportunity this evening to discuss what many may have read about in the local newspaper and that is what we are facing in terms of budgetary issues and the income tax issue. To begin with I would like to give a little bit of a historical perspective to this.

In 2003, we hired a company by the name of Strategic Public Policy who is a leading expert in the industry of public policy and government finances. They conducted a study and in February of 2004 that study was completed. Sandra McKew, CEO of the company attended a Council meeting early in 2004 and gave a verbal presentation to the Administration and City Council on the methodology used in conducting this study and a summary of the findings and recommendations. This study contained a wealth of very good information. Among the many recommendations that were addressed in this study were our zoning issue and the need to address the ratio of residential zoning to nonresidential zoning for the purposes of future economic development. Also addressed was the need that this city has to restructure our taxes. Currently where the safety levies are, there is too great of a dependence by the safety forces funding on the general fund. Additionally, there are no dedicated revenues to cover rubbish collection which is at least 10% of the city's overall budget. There were not enough revenues to address road repairs at that time and there were projections that this need would get even greater and our ability to address it would get even worse.

Basically this study said that if all things stayed the same by the end of 2006/beginning of 2007, the city would be facing a \$1.6 million deficit. We tried to make strides in addressing those recommendations and the Administration has worked in several ways to do so. One of those was the actual rezoning where, through Issue 61, we rezoned thousands of acres of land in our city to create more opportunity for the future development of research office and non-residential tax generating residential businesses. We also rezoned the area surrounding our downtown district to create a mixed use zoning. We have done much in the way of economic development and laying the groundwork for economic development, which our Economic Development Director will report on this evening.

We looked for ways to operate more efficiently and we have done all that we can do within our power to increase efficiencies in every department. We made a recommendation to change our rubbish collection system to an automated system which would have been less reliant on manpower, would have reduced the amount necessary of manpower, and was estimated to save this city in excess of \$400,000 per year. Unfortunately, that was not passed by Council. We have continually emphasized, the Administration has, to Council the need to raise our income tax to 2%.

Nobody is fond of tax increases, however we know that this operating revenue shortfall is here, we knew it was coming and the simple fact of the matter is that each year the city's costs continue to rise at a greater level than our income.

Mr. President, you have insisted that members of Council including Mr. Willey who was vocal about it, and Mr. Gentile would not support an increase unless we had a detailed plan as to what the additional funds generated from the increase would be dedicated. In spite of the fact that this Administration has repeatedly urged consideration be given to the need for operating revenues, you voted to send an income tax issue to the November ballot that was exclusively dedicated to road repairs and storm water projects. And then some of you on Council failed to get behind that increase and promote it and explain it and inform your constituents why there is such a great need for this in this community. It failed by a narrow margin in November. If, I believe, 196 people had voted differently, it would have passed. Then Mr. President you came to me with a proposal that we would work together to put an income tax issue on this May's ballot, acknowledging that we need additional revenues to provide the quality services that this community deserves. We explored the tax credit issue and whether we could lock it into place somehow, and that was not feasible. We looked at a sunset clause, discussed that at length, and decided that this was not practical. Some members of Council expressed various scenarios on the amounts and structure of the increase and again Mr. President you insisted that the ballot language be even more narrowly restricted to reflect that the additional funds be dedicated only to roads and storm sewers. Again, our Finance Director and I emphasized that we would need operating funds. As the January 25th regularly scheduled Finance Committee meeting approached, the Finance Director and I began working on the annual budget as we do at this time of year, every year. On Friday, January 20th, the Finance Director came to me and stated that she was at that point in time \$2 million away from a balanced 2006 budget and that usually when she was at that point of budget preparation, the numbers were not that far away, and we were concerned. On Monday we had it down to a \$1.6 million shortfall as we continued to make cuts and slashes to the budget. On Monday, the Sun Star reporter contacted me, as she does every Monday, and questioned me as to how we were progressing on the income tax issue. In order to answer her honestly, I explained to her that we were having growing concerns about what we were facing in this year's budget and that this may mean a need to take another look at the income tax increase as to the way in which it would be structured. On Tuesday, I announced at the Department Head meeting that we were really facing a bleak budget year and that we would be returning each department's budget sheets to them for them to also attempt to find more ways to make cuts because we knew we needed to reach somewhere near a 10% overall cut. On Wednesday, Mr. President you spoke with the Finance Director in the morning and you told her you would telephone me later in the afternoon when I returned from Mayor's court, which you did. At that time, you told me that you felt it would be best that I not get into details at that evening's Finance Committee meeting with Council over the budget issue, but that I should rather gloss over the budget issue because it would derail the consensus you had gained amongst Mr. Willey and Mr. McKee and send them back to square one. At that time, I told you that I didn't think that this was possible, I felt I would need to give them this information to be able to make an informed decision about the income tax issue. You suggested that I speak further with the Finance Director and we would talk later in the day. I had our Finance Director set up a meeting for you to come in at 6:00 p.m. prior to the 6:30 p.m. meeting to meet with her and I at which time we again discussed whether or not I would give all of the information to Council and I emphatically told you that it was my duty to inform Council that we were facing the budget issue that we are facing.

I think it is important to point out the roles between the Administration and Council. The Charter says specifically that the Council shall have the management and control of the finances and property of the municipality. It also says that the Mayor will exercise control over all departments and divisions, supervise the administration of the affairs and recommend to Council such measures as deemed necessary or expedient. At the time of the January 25th regularly scheduled Finance Committee meeting, I explained to Council in detail where we were at that point on the budget. We had already made numerous cuts which included no crack sealing in 2006, no concrete road repairs in 2006, a freeze on all replacement hiring for vacancies that exist. Council members at that time seemed to agree that we needed to address this income tax issue. Many of you made very supportive comments and I believe it was you Mr. Stefanik that suggested we look at \$1 million of the additional revenues from the income tax going to the General Fund and the remainder being divided between roads and storm sewers in some ratio. We asked the Finance Director to run through the numbers and scenarios

and scheduled a special Finance Committee meeting for the following week. The next day, Mr. President you called me to ask that I not tell reporters in advance of telling Council serious issues such as the budget issue and you informed me that Councilman Willey was really, really upset about the fact that I told the Sun before I told him. I want to point out that I knew full well on Monday when I discussed this with the Sun reporter that the newspaper would come out the day after the Finance Committee meeting and that all of Council would be informed before the community so that they would be able to answer any questions that arose from the community. I really don't see any reason why I should have censored any of the information. The Administration came prepared to the special Finance Committee meeting with additional information that was requested on where we were at that point with the budget and on the numbers and breakdowns for the income tax issue. However suddenly to my absolute shock, claims were suddenly being made that this shortfall was somehow coming out of the blue even though it was forecast in 2004 and we have been urging Council to address the tax structure. Mr. Willey made a major issue out of the fact that I talked to the Sun News reporter and I fail to see why that took on such importance when we are facing issues as grave as we are. He also stated to me that I have a problem because I am facing a budget deficit. Mr. President, you stated that you could no longer support a tax increase at this time until you go through the budget line by line. I fail to see the logic in how going through the budget will do anything to address the fact that our costs to operate including fuel, materials, health insurance, wages, etc., continue to increase at a rate much greater than do our revenues. I fail to see what changed in one week that would diminish our need to address our tax structure. On the contrary, the difficulty in putting together a balanced budget emphasizes the need. I want to be very clear on this now, I don't have a problem, we all do. Council controls finance and has full authority over the budget which this Administration has operated within year after year. The auditors have reviewed annually our performance and we have never been found to be operating outside or over the budget which Council has controlled. The information from this study has been given to you for two years forecasting this shortfall. Mr. Willey has raised the issue over and over about whether or not the numbers and the projections from that study were accurate and questioned over and over what we're going to do about it. I have explained and the Finance Director has explained over and over that all we can do each year is present a balanced budget, operate as efficiently as we can within that budget, do the best we can to control costs, do the best we can toward economic development which is a long range solution, not a short term solution, and then eventually if we didn't solve this issue it would mean a cut in services. The only other remaining solution is an increase in revenues. We cannot continue to function, a city our size, on a 1% income tax. We are not a town or a village, we're a city. We are the second largest suburb in the county. If this is left unaddressed, we will face an even bigger problem next year and the year after and the city will continue to fall behind.

We need to put political agendas and differences aside and do our jobs if we are to become a first rate community with first rate services and amenities. Our city deserves it, our constituents expect it and we must put this city first. Along that line, I am requesting that City Council work together with the Administration, schedule special meetings, we have until February 16th to get this issue to the ballot. Let's do what puts the city first, let's do what's right, let's put differences aside and work on behalf of the community.

DEPARTMENT HEAD REPORTS:

Community Development Director **Mike Kosdrosky** read a report to Council, a copy of which is attached to these minutes.

PRESIDENT OF COUNCIL'S REPORT:

Mr. Stefanik announced that the Ward 3 Meeting will be held on February 14, 2006, at 7:00 p.m.

Moved by Mr. Willey, seconded by Mr. Gentile to **hold an Executive Session immediately following the regular order of business to discuss matters of pending litigation and the purchase of property for public purposes.** Roll Call: Yeas: **Seven** (Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch). Nays: **None. Motion carried.**

COMMITTEE REPORTS

All Committees, Boards, and Commissions announced the dates and times of their next regularly scheduled meetings. All meetings are held at City Hall, 13834 Ridge Road, unless otherwise noted. A complete meeting schedule is available from the Council Office. Any changes to the regular schedule are noted below.

- Board of Zoning Appeals – February 27, 2006, 8:00 p.m. – **CANCELED**.

PUBLIC DISCUSSION

Ed Miller, 10613 Tudor Circle, read a statement into the record regarding the proposed income tax increase. A copy of this statement is attached to these minutes.

LEGISLATION

THIRD READING CONSIDERATION: No Action: 05-82, 05-83, 05-84, 05-166, 05-181, 05-182, 05-183, 05-187.

ORDINANCE 05-184

AN ORDINANCE ACCEPTING THE DEDICATION OF 787.78 FEET OF HEDGEBROOK DRIVE IN THE PINESTREAM SUBDIVISION PHASE 6 FROM SAKS & GOLDBERG COMPANIES, AND DECLARING AN EMERGENCY. Title read.

Moved by Mr. Gentile, seconded by Mr. Willey to **adopt Ordinance 05-184**. Roll Call: Yeas: **Seven** (Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch). Nays: **None**. Motion carried.

ORDINANCE 06-9

AN ORDINANCE TO AMEND SECTIONS 880.01, 880.03, 880.04, 880.17, AND 880.27 OF THE CODIFIED ORDINANCES OF THE CITY OF NORTH ROYALTON, OHIO, IN ORDER TO PROVIDE FOR A ONE PERCENT INCREASE IN THE CURRENT LEVY ON INCOME, TO A RATE OF TWO PERCENT, EFFECTIVE JULY 1, 2006 THROUGH AND INCLUDING DECEMBER 31, 2016, FOR THE PURPOSE OF PAYING COSTS OF CONSTRUCTING, RECONSTRUCTING, WIDENING, GRADING, DRAINING, PAVING, RESURFACING, MAINTAINING, REPAIRING, AND OTHERWISE IMPROVING STREETS, SIDEWALKS, CURBS AND GUTTERS, AND RELATED INFRASTRUCTURE IMPROVEMENTS, COSTS OF CONSTRUCTING AND INSTALLING STORM WATER IMPROVEMENTS, COSTS OF ACQUIRING RELATED EQUIPMENT AND OTHER RELATED MUNICIPAL STREET AND STORM WATER OPERATING EXPENSES, AND DECLARING AN EMERGENCY. Title read.

Moved by Mr. Willey, seconded by Miss Zaccardelli to **adopt Ordinance 06-9**. Roll Call: Yeas: **None**. Nays: **Seven**. (Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch). Motion defeated.

RESOLUTION 06-10

RESOLUTION DECLARING THE NECESSITY OF AN ELECTION ON THE QUESTION OF APPROVING THE PASSAGE OF AN ORDINANCE TO AMEND SECTIONS 880.01, 880.03, 880.04, 880.17, AND 880.27 OF THE CODIFIED ORDINANCES OF THE CITY OF NORTH ROYALTON, OHIO, IN ORDER TO PROVIDE FOR A ONE PERCENT INCREASE IN THE CURRENT LEVY ON INCOME, TO A RATE OF TWO PERCENT EFFECTIVE JULY 1, 2006 THROUGH AND INCLUDING DECEMBER 31, 2016, FOR THE PURPOSE OF PAYING COSTS OF CONSTRUCTING, RECONSTRUCTING, WIDENING, GRADING, DRAINING, PAVING, RESURFACING, MAINTAINING, REPAIRING, AND OTHERWISE IMPROVING STREETS, SIDEWALKS, CURBS AND GUTTERS, AND RELATED INFRASTRUCTURE IMPROVEMENTS, COSTS OF CONSTRUCTING AND INSTALLING STORM WATER IMPROVEMENTS, COSTS OF ACQUIRING RELATED EQUIPMENT AND OTHER RELATED MUNICIPAL STREET AND STORM WATER OPERATING EXPENSES, AND DECLARING AN EMERGENCY. Title read.

Moved by Mr. Willey, seconded by Miss Zaccardelli to **adopt Resolution 06-10**. Roll Call: Yeas: **None**. Nays: **Seven**. (Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch). Motion defeated.

ORDINANCE 06-11

AN ORDINANCE AMENDING SECTIONS 880.20 AND 880.26 OF THE CODIFIED ORDINANCES OF THE CITY OF NORTH ROYALTON, OHIO, IN ORDER TO INCREASE THE MUNICIPAL INCOME TAX CREDIT TO 100% OF THE MUNICIPAL INCOME TAX UNDER CHAPTER 880 OF THE CODIFIED ORDINANCES OF THE CITY UP TO 1.25%. Title read.

Moved by Mr. Willey, seconded by Mr. Gentile **adopt Ordinance 06-11** Roll Call: Yeas: **None**. Nays: **Seven**. (Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch). **Motion defeated.**

FIRST READING CONSIDERATION (*Resolutions 06-15 through 06-18 and Ordinance 06-19 were adopted under the approval of the Consent Agenda.*)

ORDINANCE 06-20

Introduced by: Stefanik, Bobulsky, Gentile, Willey. **AN EMERGENCY ORDINANCE AUTHORIZING THE EXECUTION OF A LINKED DEPOSIT LOAN PROGRAM AGREEMENT; AUTHORIZING THE MAYOR TO EXECUTE THE LINKED DEPOSIT LOAN PROGRAM AGREEMENT AND AUTHORIZING RELATED MATTERS.** Title read.

Moved by Mr. Willey, seconded by Mr. Gentile to **suspend the rules requiring 3 readings and referral to committee.** Roll Call: Yeas: **Seven** (Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch). Nays: **None. Motion carried.** Moved by Mr. Willey, seconded by Mr. Gentile to **amend Ordinance 06-20 by adding Mrs. Uffman-Kirsch, Miss Zaccardelli, Mr. McKee and Mayor Luks as sponsors.** Roll Call: Yeas: **Seven** (Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch). Nays: **None. Motion carried.** Moved by Mr. Willey, seconded by Mr. Gentile to **adopt Ordinance 06-20 as amended.**

Mrs. Bobulsky explained that this legislation would enable our city to participate in the County's Linked Deposit Loan Program. This is a low interest home improvement loan program and enables property owners to borrow directly from participating banks at 3 percentage points below the bank's rate for maintenance, remodeling, landscaping or other home improvements. Single family, two family and multifamily dwellings valued up to \$250,000 are eligible. To apply, property owners should call or visit any one of the participating banks which are Fifth Third, First Merit, Huntington, Key Bank, National City and U.S. Bank. Additional information is also available through the County Treasurer's Office.

Roll Call: Yeas: **Seven** (Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch). Nays: **None. Motion carried.**

ORDINANCE 06-21

Introduced by: Mayor Luks. **AN EMERGENCY ORDINANCE ENACTED BY THE CITY OF NORTH ROYALTON, CUYAHOGA COUNTY, OHIO HEREINAFTER REFERRED TO AS THE MUNICIPALITY, IN THE MATTER OF THE HEREINAFTER DESCRIBED IMPROVEMENT AND REQUESTS THE COOPERATION OF THE COUNTY OF CUYAHOGA BY ITS BOARD OF COUNTY COMMISSIONERS. HEREINAFTER REFERRED TO AS THE COUNTY.** (Sprague Road widening). Title read.

Placed on **second reading.**

MISCELLANEOUS

Aldo Filipelli, 12771 State Road, addressed Council regarding the 2006 budget.

Ed Miller, 10613 Tudor Circle, addressed Council regarding the 2006 budget.

Mr. Willey said that when he was Chairman of the Finance Committee 4 years ago and we initially talked about an increase in city income tax, he proposed we raise the income tax .5% for everyone in the city. When we met and found out that we were facing a \$1 million shortfall for 2006, coupled with a \$1.6 million projection for 2007, we discussed taking \$1 million and applying it to the General Fund, but we would still have a shortfall. That means we would be coming back to the voters next year saying we don't have enough money to operate. There is nothing political about this. He said that he has questioned the cost of services study because it excluded 4 years in the study. He said that his background is in finances and analysis and when you do financial projections, in order to keep it updated, you add a year and you delete a year. If we are to have high quality services and take care of the infrastructure problems, we need more than ¼%. He said that all residents in the city are going to have to be responsible for it. Mr. Willey said his stand right now is that we need more money than what we are talking about and he sees no reason to ask for a city increase of ¼% when we really need something greater than that. He would like to see a 5 year revenue and expenses projection and he wants to know how much money we really need to raise and he defies anyone in the room to tell him.

Mrs. Fegan wished to address several points made this evening. The cost of services study did predict a \$1.6 million deficit to hit the end of 2006 and that is where we are at now. It will get worse every year if we don't address this problem this year. We have also talked in Finance Committee meetings over and over again that we need operating funds. We have discussed putting the safety levies back on the ballot because they are well below their stated millage and take off some of the drain that the safety forces are having on the general fund. So there were other options out there to address other increased revenues into the city.

Mrs. Fegan said that Mr. Willey stated earlier that there were 4 years excluded from the Cost of Services Study. She explained that every single year was not listed in the study for brevity. Obviously the calculations were done for each of the four years and every fifth year was presented.

Mrs. Fegan said that she wished to stress that we have a problem here and we need to solve this problem. It is up to Council and the Administration to solve this problem. She said that she hopes this can be done, or she worries about the future of this city.

Mr. McKee said that he looked over the 2005 budget line by line and doesn't really think the residents are clear on exactly where all the money is going. He said that there are a lot of areas where we can make some adjustments. At the last Finance Committee meeting, the Mayor made it very clear that Council holds the purse strings and he said that he is going to take this to heart. Mr. McKee said that he won't approve anything until he has had a chance to closely review everything. He said they have received a memo regarding \$728,000 in overtime and this too will be looked at.

Mr. McKee said that the Mayor made the statement earlier that Council did not get behind income tax and that is one reason that it didn't pass. Mr. McKee said that since we are being honest tonight, he stood at the polls all day and there were multiple city officials there holding his opponents signs and not once did he hear them mention the city income tax issue or promote it to a single resident. He felt that the next time something goes to the ballot, we need people at the polls supporting the issue and handing materials out.

Mayor Luks said that our responsibility is to provide the best possible services and amenities to this community. The Mayor said that she knows that Mr. McKee is new on Council, but what he will find when he goes through the budget is that we are operating very lean and still trying to give the residents the services that they deserve. In terms of pushing for the income tax increase on election day, Mayor Luks said that she doesn't think that is the answer. We need to get the word out as we are out in the community and talking with our constituents and explain it to them and why we need this. You don't change someone's mind at the polls. It's about Council helping to inform the community and publicly endorsing the issue and coming out and saying we need this. To let ourselves decline in our ability to provide services because we can't all agree on how to structure it is a disservice to this community. We need to come to a consensus on how best to do this and then we all need to get behind it and explain it to our constituents. Moving this city forward and becoming what it can be can't be done by cutting services and that is what we are looking at. While it's honorable to say to the taxpayers that we are not going to waste their money, she can attest right now that we have not wasted their money. We have efficiently operated this city and the money that has been spent has been put toward moving this city forward. Mayor Luks said that every year the administration must present a balanced budget that indicates what services we can perform on the amount of money coming in. As to the overtime issue, there are legitimate and real answers about the creation of overtime and the innuendo that we were somehow negligent in allowing this overtime is not factually based. Mayor Luks asked Mrs. Fegan to explain the overtime issue further.

Mrs. Fegan said that she was requested by a Councilmember for a summary of overtime for 2005. The opportunity to present it did not occur at the last Finance Committee meeting. She said that she had asked if we could hold off until the budget hearings to give out the individual numbers because she was afraid that people would jump to conclusions. If you look at the individuals on the list, the majority are firefighters. The majority of these firefighters are members of the SERT Team. They are required to have training and this training occurs on their days off. The majority of the time for the Police officers on the list is reimbursable through grants. One officer on this list took a pay down on some accumulated time he had on the books. Some of the Service Department workers on the list are crew leaders and if there is overtime or a carry over of personnel from one shift to another, they stay. A minimum of \$25,000 of the Service Department overtime was due to snowplowing; another \$20,000 was due to the chipping that we did after the April storms. There are legitimate explanations for all of the overtime on this list and Mrs. Fegan said that she would be glad to go into more detail on this with each member of Council, but said that overtime is not blanketly granted or abused in this city.

Mrs. Uffman-Kirsch said that in response to Mr. McKee's comment that "we are all being honest tonight", she said that she hopes that we are honest every night.

Mrs. Uffman-Kirsch wished to respond to some of Mr. Miller's comments. She said that she has sat quietly at many meetings when he has spoken and she can't do it anymore. She said that she is confused and frustrated by Mr. Miller's persistent dissemination of incomplete, false and misleading information. It is a disservice to the residents of this community. She believes people should always have the right to speak freely to their government representatives, but with that right comes the responsibility to be accurate and honest with the information you disseminate. Mrs. Uffman-Kirsch said that she takes her job very seriously and takes professional offense to some of the innuendos being made and she takes offense to the disservice of the way Mr. Miller is presenting this to the community.

In the letter that Mr. Miller read from earlier as it relates to the continued lack of justification of the need for the income tax, he mentions that the road projects listed total \$11 million dollars and that would equate to \$1.1 million per year. Mrs. Uffman-Kirsch said that Mr. Miller has been told repeatedly that this list is only the top 26 roads in the worst condition in this community. We have far more than 26 roads in this community. Every year that goes by, our roads get worse and the list continues. Regarding Mr. Miller's comments about storm sewer work, the numbers that he uses are \$3.7 million from the Citizens Flooding Oversight Committee report. Mrs. Uffman-Kirsch said that this list is a very small percentage. In her ward alone there is one project that is estimated to be between \$3.2-\$3.6 million, and there are several other projects in her ward that are not in this total. So when Mr. Miller says that the city would only need so much per year and that the income tax is double that amount, Mrs. Uffman-Kirsch said that Mr. Miller is just plain wrong. Mrs. Uffman-Kirsch said that it is important that if Mr. Miller is not understanding the information to ask for further clarification, or if he is understanding it and choosing to do whatever, it is a disservice and she has had enough of it.

Regarding the justification for the deficit projections, Mrs. Uffman-Kirsch said that 12-13 years ago she was the lead on a project to bring rural residential to this community. One of the things she did for justification of this project was to do a financial impact analysis and analyze the cost of residential development vs. the expense associated with it. At that time, she stood in front of Council and said that based on that analysis if we didn't do something soon and limit the amount of residential development through our zoning, we would be facing a financial deficit the likes of which no one understands. She said she was told at that time that she didn't know what she was talking about, but she said that it seems that she did. Mrs. Uffman-Kirsch said that Cost of Services Study legitimized what she found out 12-13 years ago.

Mrs. Uffman-Kirsch said that she applauds Mr. Miller's involvement and conviction, but please do not repeat over and over again the same information when you have been given the facts.

Mr. McKee said that referring back to his comments on overtime he never said that anything was being done incorrectly or wrong, all he said was everything was going to be looked at line by line, budget by budget.

Moved by Mr. Gentile, seconded by Mr. Willey to **recess the Council meeting into Executive Session**. Roll Call: Yeas: **Seven** (Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch). Nays: **None**. **Motion carried**.

Council Meeting recessed at 9:12 p.m.

EXECUTIVE SESSION

Present: President of Council Robert Stefanik, Council Representatives Denise Bobulsky, Vincent Gentile, Don Willey, Kurt McKee, Robin Zaccardelli, Lisa Uffman-Kirsch; Legislative Services Director Laura Haller, Law Director Thomas O'Donnell, Finance Director Karen Fegan.

- Matters regarding pending litigation and the purchase of property for public purpose were discussed.

Moved by Mr. Gentile, seconded by Miss Zaccardelli to **adjourn the Executive Session**. Roll Call: Yeas: **Seven** (Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch). Nays: **None**. **Motion carried**.

Executive Session adjourned at 9:58 p.m.

Moved by Mr. Willey, seconded by Miss Zaccardelli to **reconvene the February 7, 2006, City Council Meeting**. Roll Call: Yeas: **Seven** (Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch). Nays: **None. Motion carried.**

Council meeting reconvened at 9:58 p.m.

Moved by Mr. Gentile, seconded by Mr. Willey to **authorize the Mayor and the Law Department to increase the settlement offer for the pending legal action as discussed in Executive Session**. Roll Call: Yeas: **Seven** (Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch). Nays: **None. Motion carried.**

ADJOURNMENT

Moved by Mr. Gentile, seconded by Mr. Willey to **adjourn the February 7, 2006, City Council Meeting**. Roll Call: Yeas: **Seven** (Stefanik, Bobulsky, Gentile, Willey, McKee, Zaccardelli, Uffman-Kirsch). Nays: **None. Motion carried.**

Meeting adjourned at 9:59 p.m.

APPROVED: _____ DATE APPROVED: _____
PRESIDENT OF COUNCIL

ATTEST: _____
DIRECTOR OF LEGISLATIVE SERVICES