

In the Council Chambers of the Showers City Hall on Wednesday, September 14, 2005 at 7:30 pm with Council President Andy Ruff presiding over a Special Session of the Common Council.

COMMON COUNCIL
SPECIAL SESSION
September 14, 2005

Roll Call: Diekhoff, Ruff, Sturbaum, Volan, Sabbagh, Mayer, Banach, Gaal
Absent: Rollo

ROLL CALL

Council President Ruff gave the Agenda Summation

AGENDA SUMMATION

Parliamentarian Tim Mayer noted that this was a special session of the council and that, while there would be no public comment periods in this meeting, the public would be asked to comment on each item on the agenda in turn.

It was moved and seconded that Ordinance 05-22 be introduced and read by title and synopsis. Clerk Moore read the legislation and synopsis, giving the Committee Do-Pass Recommendation of 6-0-0. It was moved and seconded that Ordinance 05-22 be adopted.

LEGISLATION FOR SECOND
READING

Ordinance 05-22 An Ordinance Fixing the Salaries of Officers of the Police and Fire Departments for the City of Bloomington, Indiana, for the Year 2006

Susan Clark, Controller, stood in for Daniel Grundmann, Director of Employee Services, who would usually present the summaries of the salary ordinances.

She noted that previous hearings had discussed the proposal that fire and police officers get a 2% salary increase, police officers a \$1500 increase, senior police officers a \$1700 increase and both the fire chief and police chief along with other non-union employees an increase according to the merit market grid for non-union employees.

Mayer noted that there were a number of young persons in the council chambers and told them that these legislative items had previous hearings and discussions. He noted that while they might not hear many questions during the deliberations, the council members had asked many questions previously, noted that this was not a rubber stamp session!

There were no public comments on this item.

Ordinance 05-22 received a roll call vote of Ayes: 7, Nays: 0. (Councilmember Diekhoff, who is also a captain of the police department) did not participate in this vote to avoid a conflict of interest)

It was moved and seconded that Ordinance 05-27 be introduced and read by title and synopsis. Clerk Moore read the legislation and synopsis, giving the Committee Do-Pass Recommendation of 6-1-0. It was moved and seconded that Ordinance 05-27 be adopted.

Ordinance 05-27 To Amend Ordinances which Fixed the Salaries of Appointed Officers and Employees of the Civil City for the Year 2005 (Ordinance 04-19) and Utilities for the Year 2005 (Ordinance 04-21) - Re: Positions in the Community and Family Resources, Engineering, HAND, Information Services, Office of the Mayor, Parking Enforcement, Parks and Recreation, Planning, the Police Department, Sanitation, and Utilities

Susan Clark, Controller, noted that the synopsis was very detailed and that there had been previous discussion on this item, so she asked for questions.

Sabbagh asked if seven were positions lowered in job grade and three positions were raised in job grade. Clark noted that she had not tallied them that way but was happy to do so at that moment. Sabbagh said he had those notes from the previous discussion, and wondered if those positions where rank was lowered were not administrative positions. Clark noted there were some in ITS, Utilities, and was not sure about Sabbaghs distinction. Sabbagh noted that he would have liked these position changes broken out so that he could more realistically reflect his opinion on them individually rather than one sweeping vote. Clark

noted the reason for bringing all the changes at once was that it was more efficient for council consideration. She noted that she would be amenable to discussing any concern council had with any one line in the ordinance. Sabbagh then asked if any council members were interested in separating out any of the actions listed in the ordinance, and there were none that expressed that interest.

Ordinance 05-27 (cont'd)

There were no public comments on this item.

Sabbagh expressed his concern that every employment change had been lumped in together and lowered the rank of workers in ITS and Utilities while raising the level and increasing positions and payroll in the mayor's office. He noted his concern that this was building up the administration while neglecting the utilities workers and others. He also noted that the need for two deputy mayors concerned him because he thought the city got along fine with one and questioned the need for a second one.

Ordinance 05-27 received a roll call vote of Ayes: 7, Nays: 1 (Sabbagh).

It was moved and seconded that Ordinance 05-21 be introduced and read by title and synopsis. Clerk Moore read the legislation and synopsis, giving the Committee Do-Pass Recommendation of 6-1-0. It was moved and seconded that Ordinance 05-21 be adopted.

Ordinance 05-21 An Ordinance Fixing the Salaries of Appointed Officers, Non-Union and A.F.S.C.M.E. Employees for All the Departments of the City of Bloomington, Monroe County, Indiana, for the Year 2006

Susan Clark, Controller, summarized the ordinance, noting that the changes in the previous ordinance (05-27) were incorporated in the changes for the year 2006. She noted that the ordinance included job title changes in Animal Care and Control, Community and Family Resources, Information and Technology Services, Street Department and the Fire Department along with changes in the housing of the Safe and Civil City Director, elimination of Mayor's Staff Assistant and Child Care Caseworker positions due to the end of the grant. She noted that in the Parks and Recreation Department three positions were added due to temporary seasonal positions becoming regular positions. Clark stated that the overall increase in salaries was 3.5%, with the AFSCME increase being dependent on their contract.

Mark Kruzan, Mayor, took the podium to speak about the comments made by Councilmember Sabbagh regarding the changes in personnel. He responded to Sabbagh's comment about having two Economic Development Directors and two Deputy Mayors. Kruzan said this statement was inaccurate and that he thought Sabbagh would understand that both of these positions were assistants and not directors or deputies. He said it would come as a shock to social studies students that there were 100 state Governors because of the Lt. Governor positions, and even that we have two US Presidents because of the position of US Vice President. He said that the creation of the Assistant Economic Development Director was an attempt to address the need for more economic development direction by the city, something he said that Sabbagh had campaigned on. He said he hoped to begin to expand the direction of Economic Development even further.

He noted that the jump in salaries in the Mayor's budget was due to the moving of the Communications Director to the Mayor's Office from the ITS Department. He noted that any chance he had to recruit and retain talented employees he would take, that the 3.5% increase across the board was rewarding all city employees, and that any suggestion that this ordinance was valuing the administration over what he noted Sabbagh called 'the workers,' Kruzan found to be incredibly offensive and narrow minded. He noted that it was unfortunate that Sabbagh felt there was a distinction between the administration and other workers.

David R. Grubb spoke about the Police and Fire Department. He spoke of respectful retirement of Police and Firemen saying that he knew of several that were cheated out of their pensions.

Ordinance 05-21 (cont'd)

Sabbagh noted that the term "city workers" was used numerous times in the budget hearings during the summer as one after another of the council thanked them for their work. He expressed surprise that the mayor was offended by the term 'worker.' He said the United States Vice President and the Indiana Lt. Governor positions were established by the Constitution and until he saw a constitution of Bloomington he didn't think it was fair comparison to talk about an Assistant Deputy Mayor.

Gaal noted that this ordinance actually meant that all city employees will get a 3.5% raise across the board.

Sturbaum, the council representative on the Economic Development Commission said money spent on an assistant to the Economic Development Director was money well spent. He said that since we need to focus on Economic Development as a city, talk of not wanting to add to the resources of the department was peculiar, to say the least.

Mayer thanked the Mayor for bringing the budget forward and thanked every city employee for the work that they do for the administration the city and the citizens.

Volan thanked Sturbaum for his comments, and said he agreed whole heartedly.

Ruff said he appreciated the administrations leadership in expanding the definition of economic development and in increasing programs for economic development activities. He noted specifically those such as working with small businesses, not-for-profits, and the arts, initiating a new study on community sustainability, protection of the environment and enhancing our community character as some of this expansion. He said that the majority of the council understood the progressive definition of economic development and applauded the administration's leadership on the issue and is fully supportive of the budget. He said the move of the Communications Director to the Office of the Mayor was logical and accounted for changes in dollar amounts.

Ordinance 05-21 received a roll call vote of Ayes: 8, Nays: 0.

It was moved and seconded that Ordinance 05-20 be introduced and read by title and synopsis. Clerk Moore read the legislation and synopsis, giving the Committee Do-Pass Recommendation of 7-0-0. It was moved and seconded that Ordinance 05-20 be adopted.

Ordinance 05-20 To Fix the Salaries of All Elected City Officials for the City of Bloomington for the Year 2006

Susan Clark noted that the salaries were computed at the mid salary range of raises.

Sturbaum asked if the city could please pay attention to the salaries of the CATS employees who tape, produce and broadcast the city and county governmental meetings. He said that the salaries may not meet the living wage and wondered if these folks may be falling through the cracks. Clark said that the CATS budget had been increased by \$13,868, a 4.9% increase based on the prior year's receipts from Insight Cable. She said that the city doesn't have much input into the library's budget. Mayer noted that the CATS employees were part of the library's employees, and that the library was in a budget crunch. Sturbaum said perhaps a stipulation of the increase being devoted to

salaries of the CATS employees should be passed on to the Library Board with the next budget.

Ordinance 05-20 (cont'd)

Ordinance 05-20 received a roll call vote of Ayes: 8, Nays: 0.

It was moved and seconded that Appropriation Ordinance 05-04 be introduced and read by title and synopsis. Clerk Moore read the legislation and synopsis, giving the Committee Do-Pass Recommendation of 6-1-0. It was moved and seconded that Appropriation Ordinance 05-04 be adopted.

Appropriation Ordinance 05-04 An Ordinance for Appropriations and Tax Rates (2006 Civil City Budget for the City of Bloomington)

Susan Clark, Controller, reviewed revenue highlights of the major budget for the year 2006 noting that the budget proposal for \$50,326,365 which is a 5% increase over 2005. She noted that the General Fund balance at the end of the year is projected to be \$6.1M and at the end of 2006 is projected to be \$6.4M, including the Rainy Day Fund. Clark reviewed the sources of projected revenue for the city, pointing out that the latest information from the state was received after this budget was advertised.

Clark reviewed the computation of the Property Tax Growth Factor with a chart that explained the computation based on a six year average of non farm personal income growth noting that 3.9% was computed for the 2006 budget. She also noted that the levy controlled funds for the City of Bloomington are the Parks General Fund, General Fund, Cumulative Capital Improvement Fund, and the two pension funds. Clark reviewed the increases in the 2006 budget which included an increase in the city's share of health insurance premiums, fuel, retirement contributions, contractual pay increases for fire, police, and AFSCME employees, pay increases for non-union employees, and the General Fund support for the Sanitation program, and the restoration of the computer replacement program.

Clark reviewed the changes in the proposed budget since the hearings in July that amounted to \$455,229.

Sabbagh asked if the City had a program for home heating assistance. Clark said that SCCAP had that program. Sabbagh noted that this budget approved positions and wondered if they could be eliminated after the first of the year. Clark said they could, with the quarterly review of salaries. Sabbagh asked if the money would stay as part of the appropriation, to which Clark answered yes.

Council final comments:

Banach noted that the discussions were extensive in July. He also noted that he would remain opposed to the trash tag program and said they were a big mistake and now the costs had doubled and that the tags did not encourage clean up in the neighborhoods. He noted this was his main sticking point with the budget and would remain so. He said overall he was pleased, however, and was glad to hold the line on taxes and was supportive of the raises for employees.

Gaal said he was pleased that the city is in better fiscal condition this year with reserves at target levels because of steps taken last year. He noted there had been a shared sense of priorities between the majority of council during the budget process which enhanced communication, and noted that the focus on economic development was the best example of this.

Gaal noted that the 2006 budget increases in the Mayor's Promotion of Business line to \$198,000 while increases in transparency and accountability complemented this action. He added that the message sent was that groups interested could apply for money, grants would be

allocated based on a Memorandum Of Understanding which would define expectations and results for the entire community. He noted past recipients of city funds from this line and the uses to which the funds were put. Gaal noted that this budget expanded the definition of economic development to include sustainability, quality of life amenities, tourism and recreation, with a focus on arts that is not contradictory but complementary to a traditional focus.

Appropriation Ordinance 05-04
(cont'd)

Gaal noted increases in the Jack Hopkins Social Services Fund would help in improving the human condition and noted the CSX rail project will have an impact on downtown and the quality of life in Bloomington. He noted the CSX project would, among other things, serve to unite the East and West sides of Bloomington with new plazas and gathering places, eliminate unsafe rail road crossings and will be the centerpiece of the alternative transportation plan. He added that the Redevelopment Commission had recently given their blessing for the city to make an offer to purchase the rail corridor.

Sturbaum said Gaal named the progressive ideas in the budget and administration but that it's also a responsible budget that doesn't overspend now and then needing to pay later.

Mayer said the budget met the needs of citizens, continues to fund important public works projects such as streets and sidewalks, and especially meets the needs of city employees by increasing the city's contribution to the health care program. He noted that this vote was the culmination of the whole budget process and thanked the mayor and Clark for their work.

Volan noted that the budget process was confusing to the average person in that there were a number of ordinances to consider. He recognized that quality of life is economic development and related a story of a company that relocated to Boston because that's where the opportunities and amenities their labor pool wanted could be found. He noted that Bloomington will be that type of quality place to live.

Sabbagh said parts of the budget that are good, raises, social services and medical care. He had philosophical differences with the way that the city funds economic development. He said the \$198,000 in the mayor's budget for promotion of business did not have a codified plan of disbursement. He noted the council would not have anything to say about how these funds were given out, he didn't understand the procedure of awarding this money, couldn't predict the disbursement of funds and didn't think the process was transparent.

Sabbagh said that there were caps on the levy and other funds, noted that COIT was not capped, but comes from people having good jobs so they can pay into COIT. He tied this into his philosophical difference of economic development with the administration, which he said caused him great concern.

Diekhoff thanked the administration for supporting public safety with a fire training facility, police firing range, and more police officers.

Banach, noted that in a city that bans smoking, 5% of our revenue comes from cigarette and alcohol taxes.

Ruff, noted that the budget approached funding priorities of the mayor in the areas of improving the human condition, preserving and enhancing community character, and promoting economic vitality in a fiscally responsible manner. He said that increases in employee salaries reflected these priorities.

Ruff addressed the mayor's promotion of business line of \$198,000, by noting that there were many years that the council voted on this fund without knowing how the money was spent, and the real effect of this new approach increased accountability. He noted that economic incentive accountability was a major component of the mayor's commitment and campaign and he should be congratulated in following through on this promise. Ruff addressed the claim of councilmember Sabbagh not knowing the process of the disbursements of the mayor's promotion of business line by noting that the agreements with grantees were available to anyone and council members could see those agreements. Ruff also pointed out that in past years, the council voted on the budget and never knew how the money was actually disbursed.

Ruff read from Plan Kruzan on economic development and said that the process that has been developed has covered that. He said that the mayor had actually reduced controversy on the transparency of disbursement of these funds, broadened the definition of economic development, and increased the total amount spent on economic development with a more community-wide embrace of this expenditure. He noted that this was a major accomplishment.

Ruff encouraged the council members who have questions on the process or content of these agreements to approach the administration and attend press conferences with the groups receiving the funds such as the BEDC, Franklin Initiative and the Small Business Development Alliance.

Ruff asked for any second round comments from the council members.

Volan, in response to Banach's statement on trash tags, noted that the trash tag program help people be more responsible for their trash. He noted his work on the solid waste district and also noted that the city didn't raise the cost of tags for 10 years even though other costs had risen.

Banach responded by disputing the statement that the people generating most trash don't pay property taxes. He said that owners of properties near campus are the tax base of the city and they do have a trash problem, one of educating their tenants. Banach said he'd be a proponent of raising taxes to the point of about \$10 per household per year to cover the cost of sanitation without tags.

Sturbaum said there was no free lunch, no free trash and thanked Clark for a good and transparent process.

Sabbagh thanked Susan for her work. He said the utmost in transparency would be a line in the mayor's budget with a specified amount of money allotted to the BEDC. He said that the BEDC had accountability since the council president and the mayor sit on its board. He said the BEDC was not funded last year and they are an excellent organization. He reiterated his conflicting philosophy of economic development stating that he holds the classic definition of creating jobs and generating lots of COIT.

Gaal said that he was trying to understand Sabbagh's opposition to the transparency in the disbursement of economic development funds from the mayor's budget but disagreed with his naming it a "blank check." He said that the blank check model is exactly what was done in the past, and that caused a lot of controversy on the council and in the community. He said that the current model will explicitly state what moneys would be received, with everything put in writing with a clear understanding of the public benefit.

Mayer asked that council members confine their comments to what they know, and not presume what other council members know.

Appropriation Ordinance 05-04
(cont'd)

Ruff said he knew for certain that there was never a line item in the budget labeled BEDC and the statement that there was was an inaccurate statement. He added that that the statement that the BEDC was not funded last year was wrong also, in that the Life Sciences Initiative (part of the BEDC) received a significant grant from the city last year. Ruff noted that the new process specified the amount of money granted, use of the money, how that use benefits the community, and requires reporting back to the city by the agency receiving the economic development grants. Ruff said that this is absolutely, objective and factually far more accountability than existed in previous years.

Ruff noted that philosophical differences are fine and invited those who have them to run for mayor.

Ruff noted that a large part of the satisfaction with this budget was that the council and administration worked together early on to address concerns. He said the council felt that their voices were heard, and the voices of constituents spoken through council members were heard.

Appropriation Ordinance 05-04 received a roll call vote of Ayes: 7, Nays: 1 (Sabbagh).

It was moved and seconded that Appropriation Ordinance 05-05 be introduced and read by title and synopsis. Clerk Moore read the legislation and synopsis, giving the Committee Do-Pass Recommendation of 7-0-0. It was moved and seconded that Appropriation Ordinance 05-05 be adopted.

Appropriation Ordinance 05-05 An Ordinance Adopting a Budget for the Operation, Maintenance, Debt Service and Capital Improvements for the Water and Wastewater Utility Departments of the City of Bloomington, Indiana for the Year 2006

Patrick Murphy, Director of Utilities, noted that the department has adopted the civil city format, and was committed to transparency, also. He said that this was a rate payer based budget that covered the basics of water, wastewater and stormwater utilities in a \$24 Million budget.

Sturbaum asked how the improvements were going at the water treatment plant. Murphy said the progress was going well with just a few items left to complete by the fall.

There were no comments from the public on this ordinance.

Mayer thanked the employees of utilities for working at all hours of the day and night.

Sturbaum said he thought the city was doing an excellent job with this utility.

Appropriation Ordinance 05-05 received a roll call vote of Ayes: 8, Nays: 0.

It was moved and seconded that Ordinance 05-24 be introduced and read by title and synopsis. Clerk Moore read the legislation and synopsis, giving the Committee Do-Pass Recommendation of 7-0-0. It was moved and seconded that Ordinance 05-24 be adopted.

Ordinance 05-24 An Ordinance Reviewing and Modifying the Budget of the Bloomington Public Transportation Corporation for the Year 2006

Lew May, general manager of the PTC, summarized the overall budget with its 2.62% increase.

Sturbaum asked if there were any developments on the downtown shuttle since last weeks' discussion. May said there had been no change since last week.

There were no comments from the public on this budget.

Ordinance 05-24 (cont'd)

Volan said he was interested in the line item in the PTC that indicated that 5% of the budget comes from fares. He said he would like to eliminate this and support free fares for citizens and hoped that the council would investigate this next year. He said he was riding bus 6 three times a week and was becoming more of a fan of the PTC daily. Volan said free fares for citizens would have a powerful impact on the city, especially the core of the city, and that he would be looking for ways to do this in the next year. He thanked May and his staff for their work.

Mayer reiterated that IU students do not ride for free, but pay a transportation fee for all buses.

Sturbaum said he had noticed more and more folks waiting for buses, and said he thought we were moving in the right direction.

Lew May noted that in the first two weeks of this school year there had been an 11% increase over the same two week period from last year. He said this may indicate a record 2.1 million riders projected for this year. Answering a question regarding what had caused this increase in riders, May noted gasoline prices rising to over \$3 per gallon, and increase in enrollment at IU, and a bargain of \$.75 per ride on the BT buses. He also noted that the #6 route serves Smallwood and since that building is at full occupancy there has been a rise in riders on that route. May noted that there was a rise in riders other than students.

Ordinance 05-24 received a roll call vote of Ayes: 8, Nays: 0.

It was moved and seconded that Appropriation Ordinance 05-06 be introduced and read by title and synopsis. Clerk Moore read the legislation and synopsis, giving the Committee Do-Pass Recommendation of 7-0-0. It was moved and seconded that Appropriation Ordinance 05-06 be adopted.

Appropriation Ordinance 05-06 To Specially Appropriate from the General Fund and Risk Management Fund Expenditures Not Otherwise Appropriated (Appropriating a Transfer of Funds within the General Fund – Animal Care and Control Division; Appropriating Funds from the General Fund – Fire Department for Overtime; Appropriating Grants Awarded to the Police Department; and Appropriating Funds from the Risk Management Fund for Workers Compensation Charges)

Susan Clark, Controller, noted the four items within the appropriation and their uses.

There were not council comments, or public comments on this item.

Appropriation Ordinance 05-06 received a roll call vote of Ayes: 8, Nays: 0.

The meeting was adjourned at 9:25 pm.

ADJOURNMENT

APPROVE:

ATTEST:



Andy Ruff, PRESIDENT
Bloomington Common Council

Regina Moore, CLERK
City of Bloomington