



## Norwood City Council Council Chambers April 12, 2011

### **A) CALL TO ORDER**

The Council for the City of Norwood met in regular session on the above date with Ms. Jane Grote presiding. The meeting opened with a prayer and the Pledge of Allegiance.

### **B) PRAYER**

### **C) PLEDGE OF ALLEGIANCE**

### **D) ROLL CALL**

On roll call, all members were present.

### **E) AMENDMENT OF AGENDA**

On a motion by Mr. Thornbury, seconded by Mr. Moore, it was moved to amend the agenda to add the minutes from March 30, 2011 for consideration, to add to the introductory reading of ordinances as ordinance #1, the ordinance authorizing the city auditor of the city of Norwood, Ohio to pay bills and expenses as detailed in the 2011 permanent appropriations from fund 28-developmental impact fund, and declaring an emergency, and add as ordinance #2 the ordinance making permanent appropriations for the calendar year ending December 31, 2011, and declaring an emergency, and remove the Auditor's report. Mr. Mumper asked if there was any way we could move the appropriations ordinance to later in the meeting. Mr. Moore stated that he thought they were adding the fund 28 ordinance as ordinance #4 and the appropriations ordinance is ordinance # 5. Ms. Grote answered that the fund 28 ordinance is to be numbered #1 and the appropriations ordinance is to be ordinance # 2; that was Mr. Thornbury's motion. Mr. Moore stated that he withdraws his second. The previous motion made by Mr. Thornbury was then seconded by Mr. Schneider. Mr. Moore stated that he thinks Council should put the appropriations ordinance after the police and fire ordinances. The motion passed on a 4- 3 vote with Mr. Thornbury, Mrs. Laake, Mr. Gabbard and Mr. Schneider voting, "Yes," and Mr. Moore, Mr. Mumper, and Mr. Sanker voting, "No."

### **F) MINUTES OF PREVIOUS MEETING**

On a motion by Mr. Thornbury, seconded by Mr. Schneider, it was moved to approve the minutes from March 30, 2011 as if read. Mr. Mumper stated that he did not get to look over the minutes and asked if Council would put off approving the minutes until the next meeting. Mr. Thornbury withdrew his motion. On a motion by Mr. Thornbury, seconded by Mr. Moore, it was moved to table the approval of the minutes from March 30, 2011 until the next regular meeting. All members present voted, "Yes."

### **G) REQUESTS TO ADDRESS COUNCIL ON AGENDA ITEMS**

None.

### **H) REPORTS OF STANDING COMMITTEES OF COUNCIL**

#### **1. Committee of the Whole**

RE: 2011 Appropriations

Mrs. Laake read the Committee of the Whole report regarding the 2011 appropriations. There are 4 recommendations. The first recommendation is to change the numbers of the appropriations to pay Duke Energy bills with assistance from the Auditor. The second recommendation was an ordinance authorizing the Auditor to spend money out of fund 28 per the appropriations ordinance. The third recommendation was to pass an ordinance to pay the bills from April 01, 2011 up to the date of the passing of the appropriations ordinance. And the fourth recommendation was to place the police and fire contract extensions on the agenda. On a motion by Mrs. Laake, seconded by Mr. Thornbury, it was moved to accept the committee report. Mrs. Laake stated that as a

result of the Committee of the Whole meeting the additional ordinances are on the agenda. On the motion to accept the committee report, all members present voted, "Yes."

### **I) THIRD READINGS OF ORDINANCES**

#### **1. ORDINANCE PROMOTING THE "CITY WIDE STREET SALE" AND ABATEMENT OF ALL PERMIT FEES ASSOCIATED WITH THE SALE, AS AMENDED. (MAY)**

On a motion by Mrs. Laake, seconded by Mr. Thornbury, it was moved to have the third reading of the ordinance and to read the first paragraph of the ordinance in its entirety. All members present voted, "Yes." On a motion by Mrs. Laake, seconded by Mr. Moore, it was moved to pass the ordinance. All members present voted, "Yes."

#### **2. ORDINANCE PROMOTING THE "CITY WIDE STREET SALE" AND ABATEMENT OF ALL PERMIT FEES ASSOCIATED WITH THE SALE, AS AMENDED. (SEPTEMBER)**

On a motion by Mr. Thornbury, seconded by Mr. Schneider, it was moved to have the third reading of the ordinance and to read the first paragraph of the ordinance in its entirety. All members present voted, "Yes." On a motion by Mr. Thornbury, seconded by Mr. Moore, it was moved to pass the ordinance. All members present voted, "Yes."

### **J) INTRODUCTORY READINGS OF ORDINANCES**

#### **1. ORDINANCE AUTHORIZING THE CITY AUDITOR OF THE CITY OF NORWOOD, OHIO TO PAY BILLS AND EXPENSES AS DETAILED IN THE 2011 PERMANENT APPROPRIATIONS FROM FUND 28-DEVELOPMENTAL IMPACT FUND, AND DECLARING AN EMERGENCY.**

On a motion by Mrs. Laake, seconded by Mr. Thornbury, it was moved to suspend the rules and have all 3 readings of the ordinance. Mr. Moore said that during the course of discussion the Mayor has had reservations about spending from this fund. He asked if the Mayor had any comments. The Mayor said that he has a problem with using this fund. He said he will have a hard time signing this ordinance. His problem is that if we use the \$750,000.00 then we will have nothing in reserve. He said he will have a hard time signing this ordinance until he gets to talk to the Finance Committee and the Auditor. He said this does not mean that he won't sign it. He stated that Council can do what they see fit. Mrs. Laake stated that she can appreciate that. She stated that the city would be in worse financial shape without that fund. Right now the new exhibit "A" shows \$107,000.00 left in the fund. This is necessary to pay the Duke Energy bills. She said that her understanding from the Auditor and as discussed in Committee of the Whole meeting is that we have not paid Duke Energy since January. It is imperative to pass this ordinance because of cash flow. Mr. Mumper stated that he will vote no on having 3 readings. He said that if we didn't have that fund we wouldn't have much of a budget and we need the concessions too. Mr. Sanker stated that we have been discussing this for some time and the \$750,000.00 has been an important part of a working budget. Mr. Sanker continued saying that using this fund up and putting the contract concessions in the budget, the committee got close to where we need to be. He noted that using this fund was part of the whole equation. Based on placement of the ordinance on the agenda, he thinks the bargaining unit ordinances are set aside. On the motion to suspend the rules and have all 3 readings of the ordinance, the motion failed on a 4-3 vote with Mr. Thornbury, Mrs. Laake, Mr. Gabbard, and Mr. Schneider voting, "Yes," and Mr. Moore, Mr. Mumper and Mr. Sanker voting, "No." Ms. Grote noted that the motion needed six votes in order to suspend the rules. On a motion by Mr. Moore, seconded by Mr. Mumper, it was moved to have the first reading of the ordinance. All members present voted, "Yes."

#### **2. ORDINANCE MAKING PERMANENT APPROPRIATIONS FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2011, AND DECLARING AN EMERGENCY.**

On a motion by Mr. Schneider, seconded by Mr. Thornbury, it was moved to suspend the rules and have all 3 readings of the ordinance. Mr. Mumper stated that he thinks that we will still be \$1.8 million short on appropriations so he will not vote to suspend the rules and have all 3 readings. On the motion to suspend the rules and have all 3 readings of the ordinance, the motion failed on a 5-2 vote with Mr. Moore, Mr. Thornbury, Mrs.

Laake, Mr. Gabbard, and Mr. Schneider voting, "Yes," and Mr. Mumper and Mr. Sanker voting, "No." Ms. Grote noted the motion to suspend the rules needed six votes to pass. On a motion by Mr. Moore, seconded by Mr. Thornbury, it was moved to have a first reading of the ordinance. Mrs. Laake said that this means the employees will not get paid on Friday if we do not suspend the rules and pass this ordinance tonight. She said she hopes we are all prepared for the fallout. Mr. Mumper stated that he was prepared to vote for the budget if we had had the vote on the contract concessions first. He noted that may seem shocking, but it is what he decided to do. He said that if we cannot vote on concessions, and we have not voted on the developmental impact fund, the budget does not mean anything except that the employees could get paid. He said the budget is still \$1.8 million short and he doesn't know what else is in it. On the motion to have the first reading, the motion passed on a 5-2 vote with Mr. Moore, Mr. Thornbury, Mr. Mumper, Mr. Sanker and Mr. Schneider voting, "Yes," and Mrs. Laake and Mr. Gabbard voting, "No." Ms. Grote noted that there is a special meeting called for tomorrow night and meetings will be ongoing to get something passed.

3. ORDINANCE AUTHORIZING THE SAFETY-SERVICE DIRECTOR TO ENTER INTO A RENEWAL AND AMENDMENT OF THE COLLECTIVE BARGAINING AGREEMENT WITH THE BARGAINING COMMITTEE OF THE NORWOOD, OHIO POLICE DIVISION FOR THE YEARS 2011-2013, AND DECLARING AN EMERGENCY.

On a motion by Mr. Moore, seconded by Mr. Mumper, it was moved to suspend the rules and have all 3 readings of the ordinance. The motion failed on a 3-4 vote with Mr. Moore, Mr. Mumper and Mr. Sanker voting, "Yes," and Mr. Thornbury, Mrs. Laake, Mr. Gabbard and Mr. Schneider voting, "No." On a motion by Mr. Moore, seconded by Mr. Mumper, it was moved to have a first reading of the ordinance. The motion failed on a 3-4 vote with Mr. Moore, Mr. Mumper, and Mr. Sanker voting, "Yes," and Mr. Thornbury, Mrs. Laake, Mr. Gabbard and Mr. Schneider voting, "No." Mrs. Laake stated that she would like to make a motion that we reject the contract extensions as presented in its current form and ask again for the Mayor to appoint a negotiating committee to work this out. She believes the employees and the city can work it out. She said that she is begging the Mayor to appoint a negotiating committee to work this out. Mr. Thornbury seconded the motion. Mr. Mumper stated that he thinks rejecting the ordinance will cause the offer to be withdrawn. The bargaining units said no to additional changes to this offer. He stated that grievances will be filed for not hiring new employees. Mr. Thornbury said that the discussion has been that the bargaining units would be happy to help out as needed. He emphasized that changes to this are needed. He continued that to presume that it is an all or nothing deal does not make sense to him. Mrs. Laake stated that we have 5 unions. She said that she has never heard anything except from the fire and police unions. What she hears from many people is the question of why can we not sit down and figure this out. A negotiating team needs to sit down and figure this out. Mr. Sanker stated that we did sit down with them and the discussions came to this point. When the city came back with \$1 million and he feels it was based on numbers received from the Auditor that became our goal. The Auditor gave us the numbers to work with and said that we need to meet the \$19 million that was submitted on the certificate of Estimated Resources we sent to the county. We took those numbers and backed into them using the concessions. Without the concessions, we would be further short. It took \$1 million in concessions and \$750,000.00 from a fund to get numbers to submit to Council. This budget will only work if work continues with the bargaining units. Until recently, we have been told that we would not submit a budget that did not meet the requirements the city was obligated to. Mr. Sanker noted we did not fund all the keys to the fullest extent. He thinks that now people are saying what was bargained is no good and we want someone else to do it. Two major unions came back with a good agreement but it's not perfect. If it is taken off the table, it will be hard to to have further discussions. He noted that if we say to the bargaining units that the negotiators weren't up to snuff and weren't professional and we need someone else, who would you have trust in to do that work for us. Mr. Sanker continued stating that neither party in the negotiations will have much trust by rejecting these concessions. He stated that he thinks we're not bargaining in good faith, and it was his belief that we had something to agree on. Now we will never be able to obtain the numbers, and the numbers we submit downtown will be fictitious. Mr. Sanker noted that if the agreements are rejected and pulled off the table there is no reason for them to

come back just because a professional group is there to work with them. Mr. Moore stated that he is all for more talks. He said that last year when the Committee of the Whole talked about what this year would be, the committee discussed having the Mayor go to the bargaining units to talk. He did that but there wasn't much movement or response until the Finance Committee found the \$2.6 million hole. To deal with that we will have to get rid of employees and close the senior center and lots of other things. At this point it was asked what we need to not decimate these other departments. That is where the concessions came from and it's been rejected. The city needs more and we should know what more we need. He said he doesn't care how the bargaining units figure out how to get there, but we need something realistic to say to them. He said he hasn't heard that number of what we need. Mr. Moore said instead of voting to reject the concessions, let's come up with a number that we need. Mr. Moore then asked the Mayor what he thinks the bargaining units responses will be. The Mayor asked if Council was saying that they are moving to where they say that the Mayor messed it up. He stated that we have paid for negotiators in the past. This was an effort to get them to give money back. What he has heard is that they didn't take anything out of their pocket. The idea was to reduce operating costs. He said that he asked Council what they wanted and he was told that Council didn't know. The Mayor said he then sat down with Dave Thompson and Mr. Stith to discuss what was needed. He asked Mr. Stith to talk to members of Council. The answer he got back from Mr. Stith was that there was an additional 5% wanted. He feels that no one made it clear. The mayor agrees that it is true that no one took anything out of their pocket. The Mayor said he thought the \$1 million in savings was helpful. For planning, we know where we will be in 2012 and 2013. We will bottom out in 2011 and this is our tough year so we want to have a good working relationship and the Mayor said he does believe we can go back and get something else. He said the unions know if this city goes so do their jobs. Still, they rejected the counteroffer. The mayor noted that Council has a budget in front of them and the Mayor said he has done all he can do. He thinks the city employees have done all they can do and that the other unions don't get anything anyway. The mayor noted that Mr. Geers wrote a letter with six questions and nothing has been said of those questions. He knows it is the Police Department and Fire Department that cost the most. He said that the police and fire have said they don't want employees in Public Works and City Hall to lose their jobs. Mrs. Laake stated that the Mayor said this is the tough year, but she thinks 2012 will be worse. She said that she thinks that telling the unions that we can do the same is wrong. We know we will be losing public government funds. We had said in the past we would extend the contracts until June of next year. She asked how we can commit to anything beyond that. She said if we pass the ordinance to pay the Duke Energy bills, we won't have that money left. She said she doesn't see things improving. To say that we can give them no-cost health care and longevity and to say we can give it to them in 2012 and 2013 is a lie. There are implications if we don't take action. She stated that this is not a slap to the unions; it is to protect the city interests. Mr. Moore said that he agrees with what Mrs. Laake said. She is right that we don't know. When he looks back, he has almost never seen a contract renegotiation that saved us money. More often than not, it costs us more with renegotiations. If we can roll some of that back, it is a good thing for the city. He stated that he does not know what Senate Bill 5 will mean to us. He said that he's far more comfortable with something locked and with no increase in personnel. Mr. Mumper said that the first step was the \$1 million and they also said they would talk more. He stated that he would like to see the next first step taken. He feels this wasn't the end all. The givebacks are a fluid process. He said he doesn't think we're showing respect to the employees. On the motion to reject the ordinance as presented and to request the Mayor to assemble a negotiating committee to negotiate with the union, the motion passed on a 4 to 3 vote with Mr. Thornbury, Mrs. Laake, Mr. Gabbard and Mr. Schneider voting, "Yes," and Mr. Moore, Mr. Mumper, and Mr. Sanker voting, "No."

**4. ORDINANCE AUTHORIZING THE SAFETY-SERVICE DIRECTOR TO ENTER INTO A RENEWAL AND AMENDMENT OF THE COLLECTIVE BARGAINING AGREEMENT WITH THE INTERNATIONAL ASSOCIATION OF FIREFIGHTERS LOCAL # 445 FOR THE YEARS 2011-2013, AND DECLARING AN EMERGENCY.**

On a motion by Mr. Mumper, seconded by Mr. Moore, it was moved to have the first reading of the ordinance. Mr. Schneider announced that he will abstain from the vote.

The motion failed on a 3-4 vote with the tie broken by Ms. Grote voting "No", with Mr. Moore, Mr. Mumper, and Mr. Sanker voting, "Yes," and Mr. Thornbury, Mrs. Laake, and Mr. Gabbard voting, "No," and Mr. Schneider abstaining. On a motion by Mrs. Laake, seconded by Mr. Thornbury, it was moved to reject the ordinance as proposed and to ask for negotiations to continue and a negotiation committee appointed. Mr. Schneider announced that he will abstain from voting. Mr. Gabbard stated that he would like clarification. He asked if negotiations have formally been opened so when something is presented there is now a time line. Mr. Gabbard said he does not want to reject \$1 million. Rejecting says that what we have here is no good, but he feels it is a good offer. He noted that we need this number from them but what else do we need. Mr. Kiser answered his question, stating that the reason Mrs. Laake is using the word "reject" is that once a contract is presented to Council, Council has 30 days to accept it or reject it per the Ohio Revised Code (ORC). He said that Mrs. Laake doesn't appear to mean it as an insult, but she's using statutorily the correct word. Mr. Moore stated that he is confused by Mr. Gabbard's statements. He wants to know how Mr. Gabbard knows this isn't the numbers that we need. Mr. Gabbard answered that the whole discussion has been that it's not enough. He said that he's agreeing with him. Mr. Gabbard said if this isn't enough to go forward, he asked what enough is. He asked if it is only the contract extension that is the problem. If that was to be set it aside is everything else in the contract ok. Mr. Moore answered that he's not sure what Mr. Gabbard is asking him. He stated that he voted for it. Mr. Thornbury said that he's surprised at this. The objections are the 2 year extension as Mrs. Laake has said. He said he thinks the Mayor did an excellent job on the financial terms. Unfortunately, it is not enough. No one here said that he was unprofessional or did a poor job except for Mr. Sanker saying that we said that. The Finance Committee saw that it wasn't enough. Mr. Thornbury said that he was told by the Auditor today that if we accept the contract, we will still face a time this year when we will not make payroll. The budget is a fluid situation that can be without an exact number. He said that he is happy to accept the concessions if it didn't tie our hands with a 2 year extension when we have worsening conditions. Mr. Moore stated that he sees cash flow is also a problem. If it is just the length of the contract, why wondered has the Mayor been asked to go back for pay concessions. Mr. Moore asked if there is a problem with the contract. Mr. Sanker asked if the Auditor had said that the payroll will not be met because of cash flow. He noted that the appropriation sets forth budgetary numbers to the county. We can submit anything to them that meets the numbers, but if cash flow isn't there that's where the problem is. He asked if Mr. Stith said that we won't meet the payroll because of appropriations or because of cash flow. Mr. Thornbury said that the discussion was if whether we accept or reject the contract, what would be the financial consequences. As you said, the existing exhibit does not fully fund all departments, so sooner or later a payroll problem will occur. The current concessions will be helpful, but they are not enough and we will need to go back. He asked why we would vote for something that is inadequate and it will tie us to that inadequacy for 2 more years. Ms. Grote repeated the motion saying that the motion is to reject the ordinance as proposed and ask that negotiations continue and negotiations committee be appointed. Mr. Sanker stated that it is all based on a cash flow issue. He said we can always change the estimated resources to meet the obligations. We have been discussing the Mayor appointing a negotiating team. He asked what we would do if the Mayor appoints himself. He asked what direction we want to give him for this committee. Mr. Gabbard requested a ten minute recess.

Ms. Grote announced that there will be a ten minute recess.

Ms. Grote called the meeting back to order after the recess and reviewed the motion that had been made.

Mr. Mumper said these are not really negotiations. Negotiations happen at the end of the year. He asked why we don't say we ask for amendments to concessions and have them expire in December 31, 2011. Mrs. Laake said the contracts do run out on December 31, 2011. Mr. Mumper said to accept the concessions and say that they run out on December 31, 2011. Ms. Grote answered that the concessions before us in ordinance form extend the contract for 2 years. Mr. Mumper answered that Council should just accept the numbers and have it run out December 31, 2011 and have the Mayor take that back to the bargaining units. Ms. Grote again reviewed the motion. Mr. Gabbard said that to clarify Mr. Mumper's point, he himself had asked for 1 year extension. Mr. Gabbard asked if Mr. Mumper was saying for us to ask if they're willing

to concede to the things that they brought forth with no extension to the contract, and we evaluate at the end of the year. Mr. Mumper answered that during the year we will continue to discuss. Issues will arise and next year's issues will develop. Mrs. Laake reemphasized that no one wants to reject the concessions, but that it is the terminology needed. She hopes that there are things that they will re-negotiate. It is a term we have to use because of the ORC requirements. Mr. Gabbard asked Mr. Kiser what the date is that a rejection would have to be done. Mr. Kiser stated that 30 days from the time it is presented to the Council. If they had presented it to you now you would have 30 days from now. But it is likely that date would be when Council packets were received with these ordinances. Mr. Gabbard stated that we have meetings this whole week to discuss this. Ms. Grote repeated the motion. Mr. Gabbard asked Mrs. Laake to table her motion and allow the Mayor to ask for a response to Mr. Mumper's request. Mrs. Laake said that she feels more comfortable stopping the clock. We have said we may need more things. We knew we would have to cut \$2.6 million from the budget. We need to know that the developmental impact funds are available, otherwise things are very different. We need to know from where we will spend funds. She stands on her motion. On the motion to reject the ordinance as proposed and to ask for negotiations to continue and that the negotiation committee be appointed, the motion passed with a 4- 3 vote with the tie broken by Ms. Grote voting "Yes", with Mr. Thornbury, Mrs. Laake and Mr. Gabbard voting, "Yes," and Mr. Moore, Mr. Mumper and Mr. Sanker voting, "No," and Mr. Schneider abstaining.

**5. ORDINANCE ADOPTING CHAPTER 187 "LODGING TAX" TO THE CODIFYING TO ORDINANCES OF THE CITY OF NORWOOD, OHIO.**

On a motion by Mr. Moore, seconded by Mr. Mumper, it was moved to have the first reading of the ordinance. Mr. Moore asked Mr. Kiser if the county is collecting this tax already, is the idea of this ordinance that we can collect it instead. Mr. Kiser said that is right. He noted that the county collects 6%. With the adoption of this ordinance we would get half of that, and we will get our share directly. We won't see an immediate impact until it goes into effect. On the motion to have the first reading of the ordinance, all members present voted, "Yes."

Mrs. Laake asked to be excused, per her previous discussion with Ms. Grote, to go home to care for her sick husband.

Ms. Grote excused Mrs. Laake.

**K) ADMINISTRATION REPORTS**

**1. Mayor's Report** RE: Miscellaneous Business

The mayors report was skipped because the Mayor was absent from Council chambers.

**L) OTHER REQUESTS TO ADDRESS COUNCIL**

There were none

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**M) UNFINISHED BUSINESS**

There was none.

**N) NEW BUSINESS**

There was none.

**O) COMMUNICATIONS**

**1. Letter from the Mayor** RE: Mayors Court Report

On a motion by Mr. Moore, seconded by Mr. Mumper, it was moved to receive and file the letter. All members present voted, "Yes."

**2. Letter from Earnings Tax Department** RE: March, 2011 Earnings Tax Report

On a motion by Mr. Moore, seconded by Mr. Thornbury, it was moved to receive and file the letter. All members present voted, "Yes."

3. Letter from the Mayor

RE: Appointment of Mike Conlon to the Tax

Board of Appeals

On a motion by Mr. Moore, seconded by Mr. Mumper, it was moved to receive and file the letter. Mr. Mumper thanked Mr. Conlon for doing this again. On the motion to receive and file the letter, all members present voted, "Yes."

4. Letter from the Mayor

RE: Appointment of Jane Grote to the Tax

Board of Appeals

On a motion by Mr. Thornbury, seconded by Mr. Schneider, it was moved to receive and file the letter. Mr. Sanker thanked Ms. Grote for re-upping her time on the board. On the motion to receive and file the letter, all members present voted, "Yes."

Ms. Grote asked the Mayor, who had just returned to the Council Chambers, if he would like to do his report now. The Mayor said that he would.

The Mayor announced that on April 9<sup>th</sup> there was the Knothole Baseball opening day. It was a fun time to see the kids celebrating. Gapper from the Cincinnati Reds was there. The sponsors and parents were excited about the festivities and the season. The Mayor wants to thank Mr. Nichols and all the volunteers who showed up and put their money and time into the fields. The reason they do that is that they have a lot of faith in our city. Mr. Mumper wanted to comment on opening day. He said that there is a unique nickname for one of the teams, which their nickname was the Knuckleheads.

Ms. Grote announced that there is a special meeting scheduled for tomorrow night at 7:30 PM in Council Chambers

**P) ADJOURNMENT**

On a motion by Mr. Mumper, seconded by Mr. Thornbury, it was moved to adjourn. All members present voted, "Yes."

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**Casey Brown**  
**Clerk of Council**

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**Jane M. Grote**  
**President of Council**