

Common Council Actions

COMMON COUNCIL

ACTION

**SPECIAL MEETING
JULY 15, 2004**

ATTENDANCE: Mayor Alex Knopp, Chairman; Kenneth Baker; Carvin Hilliard; William Krummel; Kevin Poruban; Matthew Miklave; Douglas Sutton; Bruce Kimmel; Fred Bondi; Leona Williams

STAFF: Pam Stark, City Clerk; Dr. Sal Corda, Superintendent of Schools; Louis Ciccarello, Corporation Counsel

OTHERS: Richard Giordano; Jim Signari; David Cole; Bruce Millian; John Altieri; Jane Corsillo; Jody Bishop-Pullan; Roseanne Pullam; D. J. Carey; Greta D'Angelis; Carol Syrup; John Lombardi; Mel Silverstein; Rev. Lindsay Curtis; Jacquelyn Steiner; Dr. Barbara Amodio; Danny Goodman; Isabel Hargrove; Chris Griffith; Heather Rodin; Claire Shoen; Gloria Falcone; George Garcia; Peter Liber; Steven May, Insurance consultant

Mayor Knopp called the meeting to order at 8:10 p.m. and asked that everyone stand for the Pledge of Allegiance.

ROLL CALL

City Clerk Stark called the Roll and announced that there were nine members present.

CALL OF THE MEETING

City Clerk Stark read the Call of the Meeting into the record; Mayor Knopp said that it was accepted. Mayor Knopp said that he would recuse himself from the meeting to avoid impropriety because his wife was a teacher in the Norwalk School system. He said it was likely that Messrs. McQuaid and Hempstead were not present for the same reason. Mayor Knopp said that he, the Council members and the public had strong feelings about tonight's topic for discussion. He asked that everyone be given an opportunity to express their opinion without fear of being rebuked and that demonstrations from the audience be prohibited. He said that Council President Kimmel would preside.

Mayor Knopp then left the chamber.

PUBLIC PARTICIPATION

Council President Kimmel said that each speaker would be given an opportunity to express his or her viewpoint, but asked their cooperation in keeping the length to three minutes. He asked that everyone control their emotions and that the audience refrain from applause. Council President Kimmel opened public participation at 8:15 p.m.

Richard Giordano, an employer and owner of commercial real estate in the City, said that he was hopeful his comments would be passed to the Mayor. Mr. Giordano said that he doesn't feel the Board of Estimate & Taxation is looking at the whole picture and therefore not acting in the best interests of the residents. He felt strongly that they should be able to anticipate the savings and base their budget reductions accordingly. He said that the Norwalk's school population has been flat for the last four years yet there has been an increase in the education budget of 35%. Mr. Giordano said that this was exacerbated by the fact that Norwalk's students are getting failing grades, and the Board of Education has not provided a solution.

Jim Signari, introduced himself as a taxpayer and husband of one of Norwalk's teachers. He said that many of the tools his wife needs to do her job are paid for out-of-pocket, and that if a budget savings has been found there should not be any more cuts. Student scores are not good and won't improve if additional cuts in education are made. He said that if cuts are necessary, they should be made in the areas of administration and custodial.

Dr. Sal Corda said that Tom Hamilton, the finance director, prepared an analysis of budget savings which Dr. Corda said he would explain. Savings totaled about \$1.323 million, of which \$733,000 resulted from a change in insurance. Additional savings of \$50,000 was anticipated if an HMO was used, and \$260,000 for a different drug prescription plan. Dental savings would be about \$30,000. Approximately \$61,000 could be saved if the retirement incentive were to be used. Dr. Corda said that a move to the City's insurance would save about \$2.5 million, and reiterated that the City and the schools would benefit by the proposed agreement. If the contract were rejected, money would be left on the table with no opportunity to regroup it. The Board of Education would need to "find" \$1.3 million from its current budget. Dr. Corda said that the 2.9% proposed salary increase for teachers was consistent with the State average, but was lower than the 3.0% raise that teachers in other Fairfield County towns would be receiving. He said that the teachers have done their part in trying to save. He urged the Council not to reject the proposed contract.

David Cole, Chairman of the Racial Balance Committee and member of the Board of Education, felt it was not appropriate that the Council intrude on the Board of Education's budget. This would only serve to jeopardize education which had the effect of shortchanging the children. Mr. Cole said that there are already checks and balances in place, and if the Council wanted to challenge the budget, they should consider running for election to be on the Board. He said that he would not seek re-election next year.

Bruce Mellion, President of the Norwalk Federation of Teachers, asked the Council not to reject the proposed contract, saying there were many discussions held over the last several months. The salary increase was modest and would begin 13.5 months from now. Substantial health insurance savings would begin in 46 days; the change in insurance carrier would result in immediate and ongoing savings. The prescription drug plan would provide reduced monthly costs. The teachers would begin paying their share toward coverage, i.e., 8% in the 2005-06 year. He said that there is nothing to be gained by rejecting the proposed contract. Substantial savings would be permanently lost.

John Altieri, a former teacher and Executive Secretary of the Norwalk Federation of Teachers, said that a non-reject vote might help to improve the relationship between the Board of Education and the Council. The teachers were in a difficult situation and have made many concessions over the last two years; they are in agreement with the proposed contract. Mr. Altieri said that it is not in the best interest of the City to reject the contract.

Jane Corsillo, said that she has watched the budget controversy with the Board of Educations since 1964, but it has never been in such a state as it is now. She said that it is the Council's responsibility to take care of taxpayer money. The Board of Education has done a good job of running the City's schools, not cheaply, but well. They are responsible for negotiating the teacher's contract, not the Council, and the City should be willing to put their trust in the Board. Rejection of the contract would lead to arbitration which could be a worse situation. Even if there could be additional savings, not ratifying the contract would cause a wider rift between everyone. She urged the Council to let the Board do its job without interference.

**** MR. KRUMMEL MOVED TO SUSPEND THE RULES TO ALLOW
ADDITIONAL TIME FOR PUBLIC SPEAKER PARTICIPATION.
** MOTION PASSED UNANIMOUSLY.**

Jody Bishop-Pullan, Chairman of the Board of Education, said that the City would realize substantial savings by ratifying the proposed contract. The money would be used constructively to advance the "No Child Left Behind" policy. She said that the teachers and many others have worked hard to put this contract together and urged the Council not to reject it.

Roseanne Fullam said that she was involved with Special Education at West Rocks Middle School and felt irate to be dealing with these issues. She said that it was a disgrace that there is too much politicking going on between the Board of Education and the Council, and at the end, the children would be the losers. She urged everyone to work this out amiably, adding that the students of Norwalk deserve better.

Council President Kimmel reiterated that there would be no applause in the audience and reminded everyone to keep their voices under control.

D. J. Carey said that she was president of the PTO Council and represented 11,000 students who expect qualified teachers and textbooks, not a political arena in place of education. She said that academic programs do make a difference, and many of them are more than just "nice to have." Sports are extremely important because they teach leadership and teamwork. With six weeks remaining before the start of school, Ms. Carey said that ratifying the contract was the right thing to do. To reject it would be putting the system at risk.

Greta D'Angelis, Vice President of the PTO, said that her comment was not related specifically to the contract issue but leaned more toward the lack of open discussion among all parties. There were very few meetings held where representative of the groups

was present. She said that the process should flow more smoothly, and recommended that in the future the Board of Estimate & Taxation and the Council attend each other's meetings, or at minimum, send a representative. This was also true of the Board of Education. This concept would encourage accountability and lessen the perception of secrecy, which ultimately hurt everyone. Ms. D'Angelis spoke of the need to move the City forward in a more positive direction, engaging the services of a professional mediator if necessary.

Carol Sterrup, a teacher at West Rocks Middle School, said that last year and this year teachers agreed to the premium share pay but it is unreasonable to do this every year. It is necessary to have good working conditions, competitive salaries and good benefits. She asked the Council to seriously consider their decision and not reject the contract.

John Lombardi said that many years ago he served on the Finance Committee which at that time set a cap on spending. There were many arguments as a result. Mr. Lombardi felt strongly that if savings are realized they should go back into the general fund of the City. He urged the Council members to reject the contract, saying that if they did not they would lose the power given to them under the City's charter. Not long ago Norwalk had 17,000 students; there are currently 11,000. He asked why the Board of Education needed more money if there were fewer students. He asked Attorney Ciccarello if the contract extension from last year was ever filed, and if so, where, as it was not recorded in the City Clerk's office. He wondered if the extension was legal and reminded the Council members not to believe everything they were being told by the Board of Education.

Mel Silverstein said that he has been a Norwalk resident for 40 years and was a former president of two teacher organizations in the State. He wondered why it seemed almost impossible to find out information regarding costs or negotiations from the Board of Education, or any other politicians. He said that he has not been able to find out what the savings would have been if the teachers were placed in the City's system. He asked President Kimmel what option(s) was available if the Council refused to accept the contract.

Rev. Lindsay Curtis, Pastor Grace Baptist Church and President of the Norwalk Chapter of the NAACP, suggested that the Council ratify the contract, saying the issue was about the children not about power. Issues of racial and cultural balance were of equal importance. He said that the City as a whole has low CMT scores, and to reject the contract would jeopardize the children's ability to get a good education, especially in areas where there was high minority student population. Since the start of school was not far away, only 47 days, what would be eliminated if the contract were not adopted? He felt strongly that a budget surplus should go to the Board of Education.

Jacquelyn Steiner said that she had no children or relatives in the system, but lives in a community where there are many students. She wondered why the Council was willing to destroy a contract where teachers are trying to save the City money. She said that there was a danger if the contract was not adopted and urged the Council to approve it.

Dr. Barbara Amodio thanked the Council members for providing a safe environment in which the public could express their views. She said that she has been an educator for 33 years but has no children of her own. It was her opinion that this is not against the children and felt the Council would make the right decision, which she said she would support, no matter what it was. She read a news article about a similar situation in Minneola, New York, and added that there is no oversight of what is actually happening. She suggested that the POS self-insured plan is the direction that the Board of Education should be moved toward.

Council President Kimmel said that to his knowledge, none of his colleagues shared the feelings of the previous speaker.

Danny Goodman spoke about the test scores of the school system, saying that they would become more significant in time. They determine whether or not the City can keep its tax base and maintain itself as an attractive place for people to move to and invest in. The scores determine the self-esteem of the City and determine property values. Children that fail now would be crippled for life. He asked that Dr. Corda make a personal commitment to the taxpayers and to the City to bring test scores up to State minimum and look for solutions to why children are failing. He said that Dr. Corda should motivate staff to accomplish this as well.

Isabel Hargrove said that she is the parent of three school-aged children and a taxpayer and expressed concern that Norwalk sounds as if it is a City that is not well run. She asked everyone to make it a priority to consider the message they were sending to the community at large and to adjacent communities.

Chris Griffith, a Norwalk teacher for 16 years, encouraged the Mayor and the Council to try to obtain State funding for Norwalk's education. She encouraged them to consider the insurance plan and to consider making teachers employees of the City. Ms. Griffith said that each year she uses approximately \$2,000 of her own money and would like to be reimbursed, as other City employees are, for training, supplies, etc. As a cancer survivor, she said that she is grateful to insurance for saving her life, and wondered, since many teachers have been or are plagued with the same disease, if the schools are healthy environments.

Heather Rodin asked the Council to please ratify the contract.

Claire Shoen said that the entire situation is embarrassing. Money should be spent on the children, and what Norwalk spends per pupil is not high. Rather than increasing teacher salaries, Ms. Shoen thought the money could be better spent finding a principal for Norwalk High School.

Gloria Falcone, Chairman of the Columbus PTO, said that the message being sent is devastating to many people in the community. She asked why the Council would reject the contract if a surplus of \$1.3 was found from last year.

George Garcia, SSUA, said that he has four children in the Norwalk school system. Since Norwalk's test scores are already low, he asked why the Council would even consider rejecting the contract since to do so would further jeopardize the quality of educational that is being delivered. He asked the Council members to consider families and to do the right thing by moving the contract forward.

Peter Libre said that he has four children in the Norwalk school system. He said that the Council is concerned with the City's financial well being, yet property values are directly impacted by and related to the quality of the school system. Rejecting the contract would negatively impact property values. Mr. Liber said that his piers share his sentiments.

There being no one further wishing to speak on this subject, Council President Kimmel closed the public participation session at 9:25 p.m. He thanked each of the 25 speakers for expressing their valid and heart-felt concerns.

The Council members asked for a 10-minute recess 9:25 p.m. At 9:35 p.m. Council President Kimmel open the meeting for regular session. In response to one of the speakers, he said that if the contract is rejected, State statute dictates that it be sent to binding arbitration within five days; the final solution might take upward of a month. Dr. Corda clarified the previous statement by saying that within five days an arbitrator must be selected; if the proposed contract is rejected, the existing contract would remain in full force and effect.

CORPORATION COUNSEL

Consider Rejection of the Contract between Norwalk Board of Education and Norwalk Federation of Teachers

**** MR. KRUMMEL MOVED THE ITEM.**

Council President Kimmel said that Council member Bain could not be present, but had submitted her comments which he read into the record. She urged the Council not to reject the proposed contract.

Mr. Krummel said that tonight's meeting was part of the democratic process so that the community could become involved. He said that the current Council has done more for the schools in the last three years than any previous Council. He felt that many of the speakers have ignored the amount of time and tremendous effort put forth toward building the schools for the students' benefit. The Council does not have the authority or power to hire or fire teachers or to keep or let go of certain programs. It was concerning to him that school programs are being held hostage by the Council's decision. He asked Mr. May to explain Mr. Hamilton's May 26, 2004 letter to the Mayor.

Mr. May explained the difference between a PPO vs. a POS option and said that substantial savings could be realized by switching to an HMO program.

Mr. Hilliard spoke about the flexibility and cost savings offered by self-insured plans. Mr. Mellion said that the union did not want to switch to Cigna because of performance issues, because many of Cigna's members have left them which then lowers the stock value and ultimately increases insurance fees to the patient. He said that it is rumored that Cigna may be taken over and this was risky. Mr. Miklave asked what advantages there were to staying with Anthem Blue Cross. Mr. Mellion said that stability was an important factor, and claims were processed timely and accurately. Cigna used to insure 25 Boards of Education; they now insure two. Mr. Bondi asked Mr. May if he agreed with the statistics that Mr. Mellion mentioned; Mr. May said that they were not necessarily true and that he didn't know where the information was obtained from. He said that Cigna has experienced financial problems over the last few months because they are cutting companies that are not related to health insurance. This will make them more efficient. He said that Cigna has an excellent reporting system. Mr. Mellion said that his information was obtained from Dr. Fields, the consultant they use.

Council President Kimmel said that the Board of Education and the union should be commended over the last two years for their willingness to compromise and negotiate by opening up their contract. He said there was a time when negotiations were flat and the City was not informed about what was going on. He agreed that continued and more effective communication was needed going forward. He urged the Council members not to let their emotions or anger influence their decision. He said that the Board of Education viewed savings differently than the Board of Estimate & Taxation and other administrators for the City. He said that changing the insurance may or may not be a cost savings. He agreed that the Mayor and the finance director must put greater emphasis on communicating with departments within the City. Council President Kimmel said that the proposed contract offers savings which should be considered as the basis for making the decision. He said that the Anthem program is a step toward a self-insurance program. He said that the union believed that the proposed contract would be excellent for the City and for its members.

On the issue of salaries, Council President Kimmel said that if a City wants good teachers it must be willing to compensate them fairly and offer them good benefits. To reject the contract now when school is almost ready to begin would have severe consequences. He said that now is not the time to short change the teachers. He felt strongly that the Council should vote to approve the contract. He said that in 2001 the Council agreed to work closely with the Board of Education; and responsibility to smooth the wrinkles rests with all parties. It was critically important to stabilize the relationship.

Mr. Miklave thanked everyone for their comments, saying it was wonderful to see so many public participants. He apologized for the circumstances, but said it was an exercise that needed to be gone through; it was an important democratic process that was often "not pretty." He said that no one is against education or children, and no one should feel as though sides are being taken. Choices have been made to support education at the expense of other City initiatives. He wondered if the proposed contract was truly in the best interest of the City, and said that the discussion allowed everyone to have a better understanding of the central office and Board of Education. The decision to accept or

reject was an extremely difficult one. In response to one of the speakers, Mr. Miklave said that State statute has given the Council members the authority and responsibility to act as an advisor to the Board of Estimate & Taxation, who approve or reject contracts. Mr. Miklave said that he would vote to reject the contract on the basis of the “savings” issue. It made little sense to him to save \$1.3 million and give \$2.9 million away. The City would be spending more money if it approved this contract than if it did nothing. Mr. Kimmel asked if Mr. Miklave was suggesting that the teachers should receive a zero salary increase, and if so, this conflicted with what the Board of Estimate & Taxation approved. Mr. Miklave reiterated that to his way of thinking, it did not make sense to say that there would be a savings of \$1.3 million when in reality, more money than that would be spent.

Mr. Bondi said that all departments were asked to submit a bare-bones budget, and most did, with the exception of the Board of Education who submitted a budget that was 9% higher than last year’s. They reduced it to 5%, and said in doing so, cuts would need to be made. Mr. Bondi asked why the Board of Education was not willing to combine their I.T. or purchasing departments with those of the City, or combine the responsibilities of their finance director with those of Mr. Hamilton. Mr. Bondi said that the City strives to give the Board of Education as much as they ask for so that the students can receive good quality education, and he wanted to see that continue. He said that Norwalk’s teachers are paid better than or equally with teachers in surrounding towns and felt strongly that the Board of Education could have been more cooperative and done a better job at negotiating the contract. He said that cuts should not always be in the area of academics.

Mr. Hilliard said that he was concerned about the proposed contract as it related to health insurance. The Board of Education allocated \$25 million for health insurance, and in his opinion, this presented the best opportunity for savings. He felt that the 2.9% increase in teacher salaries was acceptable. He said that savings should find their way to more programs benefiting the children, and mentioned specifically English as a second language.

Mr. Sutton said that he would support the proposed contract. In his opinion it represented a compromise, and said that the children deserve to receive a first-rate education presented by a first-rate professional staff. He said that the Norwalk Federation of Teachers was asked to enter good faith negotiations, which they did. He wondered, however, if they would have done so if not asked.

Council President Kimmel said that during initial budget discussions the Board of Education agreed to a ceiling of 2.5% in new money to covered salary increases, and it seemed to him that the Board of Education tried to stay within that framework. It was not appropriate to think that there could be savings but no costs. He said that many teachers are at the top end of their pay scale because they are senior teachers. In surrounding towns, this may not be the case. He said that the Board of Education was audited some years ago, and it was determined that there was “no fat.” He did not feel it was the Council’s decision to determine how the Board of Education spent their budget funds. He advised the Council against becoming an arrogant body. He said that the Board of

Education has not criticized any City departments, yet everyone seems to criticize them. If the contract were adopted, \$1.3 million would be freed up for a variety of purposes that should be determined by the Board of Education. Council President Kimmel said that the budget was approved in January, and the Council should not take away the ability to fund the programs. He said that there is no division between parents and taxpayers. Families with children cannot be pitted against those without. He said that certain departments have suffered, but the future of Norwalk is based on education which should not have to suffer. He urged the Council members to vote to approve the contract and asked for a roll call vote. A “yes” would mean a vote to consider rejection of the proposed contract; a “no” would mean a vote not to reject the proposed contract.

** MOTION TO CONSIDER REJECTION PASSED WITH SIX VOTES IN FAVOR (MIKLAVE, HILLIARD, WILLIAMS, BONDI, PORUBAN, KRUMMEL) AND THREE VOTES IN OPPOSITION (KIMMEL, BAKER, SUTTON).

ADJOURNMENT

** MR. BONDI MOVED TO ADJOURN.

** MOTION PASSED UNANIMOUSLY.

The meeting was adjourned at 10:45 p.m.

Respectfully submitted,

Carol A. Wiggins for
Telesco Secretarial Services

