

SPECIAL CHARTER COMMISSION MINUTES
City Council Chambers
November 24, 2015, 5 P.M.

I. ROLL CALL:

Present: Commissioners Birchland, Britton, Hales, Hendrickson, Lamkin, Latto,
Maki, Nys, Poole, Seim, Spehar, Strongitharm and Zimmerman – 13

Absent: Commissioners Erdman and Sample – 2

II. ACCEPTANCE OF REQUESTED EXCUSED ABSENCES:

The clerk reported that Commissioner Erdman had a work commitment and requested to be excused.

A motion was made, seconded and unanimously carried to excuse Commissioner Erdman.

III. APPROVAL OF MINUTES: None

IV. COMMUNICATIONS:

A. City Clerk submitting section 5 of the Duluth Charter, reflecting the changes from the November 3, 2015 election. #15-08 Received

B. City Clerk submitting comparison from other cities of the authority for setting city council salaries. #15-09 Received

C. City Clerk submitting AFSCME wage increases and inflation, since 1999.
#15-10 Received

D. City Clerk submitting draft resolution for city council consideration of charter commission recommendation. #15-11 Received

V. UNFINISHED BUSINESS: NONE

VI. NEW BUSINESS:

A. THE CHARTER COMMISSIONS DETERMINATION OF A SUITABLE CITY COUNCIL FEE FOR SERVICE AND RECOMMEND SAID FEE TO THE COUNCIL.

Johnson: The only thing I would point out is that the new fee will not go into effect until January of 2018, which wasn't what we expected. We drafted the language (#15-08) assuming that it would be passed by the council and that did not happen. When it went to election the timing got a little screwed up. That won't be a problem going forward. There will be a lag, and I wanted you to be aware of that. Otherwise we drafted this resolution (#15-11) to give you something to work off of. This is a fill in the blank resolution. Whatever process you want to go through is fine with us.

Seim: I have a question, does this still mean that the council will vote on our proposal in December or will that not actually happen until next year?

Johnson: It is the intent, to have this council vote on your recommendation.

Strongitharm: I have a comment, in looking through all the information what struck me, was what the AFSCME wage increases (#15-10) were since 1999. The reason that those are important to me in determining the salaries is that the City Administration, the city council and the union all agreed that it was the fair wage increase. There are times where there were 0 increases because we had a rough year and there were times that it was more. The city itself agreed that this was what the cost of living was and what the increase should be. It is 33.4% through 2014. If you take a look at the comparisons, (#15-09) Rochester is more. Bloomington is less than that and we don't know when it was last raised. Plymouth was less, but they get benefits. Brooklyn Park is less but they get \$50 for every meeting that they attend. So I felt that the \$1150 makes sense because the City agreed on that over all those years. I think it is a fair monthly salary of \$1150 starting in 2018. For all the reasons that I mentioned, it is something the city has decided is a fair increase. It is a little lower than the consumer price index.

Nys: A motion has been made that the CHARTER COMMISSION RECOMMEND TO THE CITY COUNCIL THAT THE MONTHLY SALARY FOR CITY COUNCILORS BE \$1,150, which motion was seconded and now there can be discussion.

Britton: My only question is, I really like what Plymouth did, using the CPI to increase the base rate. Is there any way with the action that has been taken so far that we could do anything like that and does that have value?

Seim: I know when our subcommittee met; we talked about the challenges of getting the council to give themselves raises. And there was the idea that for so many years they haven't gotten a raise because they are reluctant to do so. So I like Mr. Strongitharm's proposal because it does catch the councilors up and if voted on with the current councilors many will not be setting their own wage, which makes sense. I think the understanding was that we would try to review this with more frequency but not commit ourselves or the council to have to adjust it on any set formula.

Hendrickson: 33.4% is simply the sum of the total in that column. When you go back and look at that compounding number it comes up to 38.9% increase in total. Which then puts your 33.4% in a much better light? So that was basically my comment.

Zimmerman: I am a little bit uncomfortable with a big jump. I don't understand why you are trying to catch up over the past, since 1999. It's not like it is a job that people are living off of, unlike the living wage that people are getting. I understand maybe connecting it in the future to that percentage raise, but I am not sure why the big gap at this time.

Strongitharm: It is not just to give them a big wage. It is comparable to what other cities of similar sizes are getting now. We are catching them up to the other cities. Bloomington at \$1033 and Rochester is at \$1623. Yes it is one big jump, because they didn't get those raises for that many years, but we have to get caught up somehow.

Gardner: I think commissioner Strongitharm covered it really well. Since there hasn't been a raise since the turn of the century that is one of the reasons we are looking at this. Some of the Councilors have left the council, councilors with families in particular. The role of the councilor has changed drastically, particularly with the prosperity and the economic development. We are getting a lot busier. There is more for councilors to do. So much more to being a councilor than just sitting at two meetings a month and voting on issues. I think a lot of people have recognized the councilors roles have changed a lot. We are active in our community and our district. The at-large councilors are constantly on the go as well. There are committees and commissions with responsibilities that councilors have, with the expanded roles within the community and higher expectations that they are going to be showing up. It takes a great deal of time and energy. I do not want to see the council turn into people who can just afford to be on the council and just have that kind of time. I think that would be a very sad representation for our city. Our council needs to look like our city looks, so that was the reason for it. There has been a lot of thought, time and effort given to it. The committee was very thoughtful. I do appreciate everything that you folks have brought forward. I would like to remind the commission as well, that this is a recommendation that is made to the council. The council will ultimately decide to take the recommendation. It has to be by a 2/3 vote. No guarantee that the council will pass it even if it is agreed and passed today.

Britton: With an increase, it is not going to take place until 2018, so we are even further off into the future. Another comment I want to make is the point I raised earlier on the terms of having some mechanism on some increase. Is it on the Charter Commission to say "it is time to take another look" and on no other regular basis what so ever. Not 2 years or 5 years, just when the commission thinks it is time to do it.

Gardner: It could be brought up by the commission. A council member could decide to do that as well. We didn't put any time in there. We are thinking that to look at it more than once every 15 years. Maybe every 5 years. These aren't full time jobs, and actually these are not a salary, it is a fee as much as I don't like the term. Councilors need to be compensated for the cost that it takes to be a councilor. We can't take any money; the most we can really take from people is a cup of coffee. We pay our own way for everything. Councilors with children need babysitters. They can be really expensive. Those are the kinds of things that we looked at.

Seim: Just as a reminder. Originally the Charter had to be amended in order to increase the councilors pay, which we can see is a pretty cumbersome process. The goal to change the charter into the language we did was to give us all more independence to make those decisions without having to go through more steps and not having to change our charter.

Poole: If we don't purpose something now for the city council now to vote on, will that delay when it will become effective? Can we pass it in 2018 and it is effective in 2018? If we acted now and it becomes effective in 2018 are we effectively going to have a fee change again in 2018?

Johnson: As the way the Charter was changed, the new fee amount won't take effect until the January after the municipal election. So you could wait and do this at a later date and there would be no prejudices as long as it was done before the next municipal election. And that is an alternative.

Gardner: I would like to point out that there are going to be 4 of us that will be leaving the council. Councilors Larson, Julsrud, Krug and I are leaving the council and we do not have any vested interest. Which I think is kind of a rare thing. Usually the turnover is not quite that large, but it just is this time.

Nys: Well we did have a motion and second and there was a substantial amount of discussion. All in favor say Yea, opposed nay. The motion carries as follows:

Yeas: Commissioners Birchland, Britton, Hales, Hendrickson, Lamkin, Latto, Maki, Nys, Poole, Seim, Spehar and Strongitharm – 12

Nay: Commissioner Zimmerman - 1

VII. ADJOURNMENT:

A motion was made, seconded and unanimously carried to adjourn.