

**Evanston City Council
Closed Session Minutes
Aldermanic Library
Monday, January 28, 2008**

PRESENT: Aldermen Jean-Baptiste, Wynne, Bernstein, Holmes, Moran, Tisdahl, Rainey, Hansen, Wollin

ABSENT: None

STAFF: Julia Carroll

PRESIDING: Mayor Morton

START: 10:13 p.m.

Personnel

Alderman Bernstein and others asked for this meeting. His concern is about senior staff leaving and a culture that is not conducive to employment. Many have left due to early retirement; some to better jobs and are double dipping, and some can no longer stand it here. He does not understand that. He perceives that people are not happy here. Some are quitting without jobs. Can the City Manager address this? How does the City succeed without historical knowledge that these people are taking with them. He has been at meetings where there are questions about liquor and legal and nobody to answer. Communication is shot. It concerns him when they go out to hire. Dave Jennings leaves in five weeks. He has some good subordinates but there is nobody to replace him. Thank goodness for Bill Dunkley in zoning. When Art Alterson left there was no zoning administrator for three years. Evanston is in competition in the marketplace. It is not all early retirement in his mind.

Alderman Holmes thought staff was leaving that had been here more than 20 years and it is not unusual for people to leave when they are offered an early retirement incentive. How had he found out why people are leaving? Alderman Bernstein talks to people and has had relationships with staff members for many years. Alderman Holmes noted a change in administration is part of it and the good ole boy gang has broken up. Holmes worked in the public sector; knows that people are connected to each other are leaving and did not think that it is a bad thing. Alderman Bernstein thought it was.

Alderman Rainey said it is sad to hear some of the anger that people have that are leaving. She asked about Matt Grady. Council was told he left for personal reasons. It took a long time to find him; he was not up to the task and she would have fired him. She asked the City Manager to tell them about his departure.

Alderman Jean-Baptiste stated the flight of senior people at one time destabilizes an organization. Do they know if they have folks coming in that are competent? Most have had a comfort level with senior staff but that did not mean they were satisfied. He heard

that Mr. Grady's communications skills were not good, although he seemed okay. His concern during budget season when letters were circulated to folks, created an atmosphere of instability. Objectively, the work force is destabilized when people don't know if they will have a job. Most want to fund the pensions and raise taxes minimally. He was told by the City Manager's office that it is the aldermen's fault if they lose their job. He was not suggesting that is true. However they cannot ignore the instability and insecurity here. Some may have left because they don't like the manager's leadership style. Council needs a sense of what she is doing.

Alderman Tisdahl did find Matt Grady to be professional. She went to Bill Stafford whom she likes several times and he said there was no pension problem. She went to Matt Grady who said yes there is and he was right.

Alderman Wollin thought that Matt Grady had saved money on bonds. Council knew about early retirement and that there would be more than three or four people leaving. She knows Max Rubin very well who told her he could not turn it down. There was nothing personal. For many it is a financial incentive that they cannot turn down and it had to be done by a certain date. Alderman Rainey thought they have a condition here that they have to deal with.

City Manager Carroll explained that Matt Grady agreed to what would be said. He was asked to resign. There were performance issues and he did not want his career damaged. It was a judgment issue in the last 60-90 days.

Ms. Carroll was also concerned about people with historical knowledge leaving. When Judy Witt discussed the issue last year, she estimated three or four would leave. She was not aware of a cultural difference. One person did not agree with her management style. She was told that four out of five are leaving for financial reasons. She is trying to deal with cultural issues and knowledge and passed out a memo she had prepared on recruiting. She is dealing with the cards she was dealt. They have a headhunter looking for three senior positions. She has Bill Stafford's support to try and find somebody through the GFOA group; is serving half time as Finance Director and City Manager. She has had some people tell her they are excited about the changes.

Alderman Rainey brought up the chaotic situation about liquor licensing. Over the course of two meetings liquor was handled by Human Services and Finance. That evening they were told by Gavin Morgan that he is in charge of liquor licensing. Why the change? Why did it go to Human Services? Ms. Carroll thought there was a natural connection with restaurants which are handled in the Health Department. On January 11 she became aware a liquor license was on Jay Terry's desk. Affected staff met and decided to place liquor licensing in the City Manager's office because there is interaction with the Mayor and law department. Alderman Wollin recalled the mix-up on Café Luciano's liquor license that will expire at the end of the month.

Alderman Moran felt that under the prior city manager an unhealthy culture developed. There were silos. Nobody was directing the ship. There were fiefdoms and the

organization exhibited dysfunctional behavior. That led to other situations in management that were difficult. There were pre-existing clicks that became more cohesive. When confronted with an early retirement incentive program adopted by Council, there were many people here with 20-30 years service with an incentive to go. Some who left needed to go. But they also lost people that they didn't want to leave. It is a function of offering such a plan. They are faced with challenges. He said the Central Street plan is the work of genius (Bill Dunkley). He, too, is concerned that they lost many senior people at the same time. Some who are coming in will do a good job. People leave for many different reasons. He thought for decades, there was allure about working for Evanston from all around the country. He noted when an organization is turned around, it is tough work and people make friends and enemies. Julia Carroll has a heavy load and has to dig out of the hole.

Alderman Jean-Baptiste noted some good things. They have a solid Fire Chief and Police Chief; good people in public works. He doesn't know about finance. He thought it important to take hold of economic development in community development. Who is doing economic development in planning? He was not concerned about Health and Human Services. He likes how the manager uses second tier people. They are competent enough to step into positions and trouble shoot. Who do they have to plug in holes. Zoning seemed to be decent. He has had to push people in planning.

Ms. Carroll stated they were looking nationally for a good community development director. They need somebody to look for tax generating and job generating businesses. It will take a lot of work. She reported she did not know about a change on the Central Street plan until January 8 when she got an e-mail from Ken Bailey. She was embarrassed and frustrated that did not come to her. There are people protecting territory or not communicating what is going on. She has demanded that she be kept informed and wants people to be held accountable. You have to have people who want to work together.

Alderman Bernstein is happy with a lot of things, but is holding the manager to high standards. It seems she never takes the blame for anything. The fact that she did not know about something was what he would have expected from Roger Crum who let people do their thing. How did she know that there was a liquor ordinance on Jay Terry's desk for two months. Before Eddington was hired, he was told that nobody at the Police Department was interviewed because there was nobody competent for the chief position. That was not the way to go. When the \$39 million mistake was made by Matt Grady, the manager did not catch the error. He asked recently about the Tower project. Council walked in not knowing what they would discuss at that executive session. She told him that Judy Aiello supported the plan. Ms. Carroll did not know that all the Klutznick people were coming in. Employees need to tell her about what is going on. Some people are not forthright and she does not know why. If she does not know about something how can she respond? Alderman Bernstein said there have to be checks and balances and a manager should know. Ms. Carroll meets with the directors and assistants regularly.

Alderman Jean-Baptists said Council was brought into an executive session by a top staff person and joined Bernstein in this criticism. If somebody is holding out, they need to

have their butt kicked. Council should not have had to take the criticism about the tower project.

Ms. Carroll acknowledged that the tower meeting was a screwed up mess and did not know 10 people were coming. She thought it was going to be about acquisition of the Fountain Square building, but took responsibility for it. Herb Hill did not send the minutes of that meeting to the Attorney General and she did not know about that, which was a shock. It has been an uphill battle to get several departments to cooperate and several staff may be leaving because they were criticized for not being a team player.

Alderman Tisdahl noted that Herb Hill was at the tower meeting and doesn't fault the manager. She thought that Herb had goofed. Alderman Hansen also remembered Herb being here. Ms. Carroll relies on Ms. Aiello and Mr. Hill to take correct day-to-day actions. Ms. Aiello put together the meeting and Herb Hill okayed it. Ms. Carroll takes staff's word for what they do. Alderman Hansen recalled at the last A&PW Committee meeting it was embarrassing. The aldermen were being blamed for bringing up topics not on the agenda.

Alderman Wynne noted that all have a different perspective. She thought Ms. Carroll would have a rough go for awhile. The historical memory is being lost. She recalled turning to David Jennings for a quick answer to a question. It took two years to get David Jennings into the public works director position. What is the market like for a community development director? If John Burke is available, she suggested that he be the public works director.

Ms. Carroll has talked to John Burke about taking the public works position, but he does not want to be director. He has young children. She was told by a headhunter that positions such as public works director are hard to fill. They may have to reach out to the private sector to find good candidates. One reason she wanted to serve on the ICMA City Manager Committee was to try to instill the need for succession planning because people at the top are retiring. She has tried to instill in the new HR director to provide leadership training and help people grow. That has not been true here with top people hanging on to their jobs. They need to get to the next level.

Alderman Wynne asked if there are any extra dollars and is Evanston competitive with other municipalities in the region. Yes. Ms. Carroll commented it is a tough business because people have to give up their evenings. The next generation does not want to do that. Ms. Carroll takes seriously her role of finding good people.

Alderman Wynne asked about the Law Department. Ms. Carroll said they would look regionally and wants to see changes. She has wanted Herb Hill to stand up, do research and be less willing to settle. She is used to working with a more aggressive attorney. She will look at how the Law Department is managing outside legal counsel and find someone who stays on top and is more aggressive. Better zoning experience is needed. Jack Siegel is great but he isn't going to be around. She thought their labor counsel is good. She said more has to be done with managing the Law Department and looking at

the work load. Alderman Rainey said Council only knows the tip of the iceberg. Ms. Carroll said they would talk about all the cases on February 2.

Alderman Rainey said people could say whatever they wanted to about former manager Roger Crum, but it was under his management that the downtown began its renaissance. Judy Aiello did the negotiating and Crum brought downtown to life and put the city back on the map. Alderman Rainey also had concerns about the Planning Department and about economic development in her part of town. She heard about a meeting and talked to Chicago people about Hands Across Howard. Only through a casual conversation did she find out that Sue Gudderly was coming to that meeting. Alderman Rainey doesn't know what is going on. Two economic development directors are not needed. She has concerns as others do and it is management going forward; about hiring and relationships between the manager and individuals. She doesn't agree when somebody new is hired that people quit and wished Ms. Carroll good luck. This budget is making her ill. It is a mess. She did not think Council is meeting enough or sharing enough.

Ms. Carroll said wants to hear criticisms in individual meetings and was willing to meet before or after work. When she hears about concerns voiced in a public meeting, it is only fair to talk with her face to face.

Alderman Bernstein stated she is the captain; has good skills, but she does not play well with others. They talked about perception. He has seen letters she has written and she rules with fear. It is her job and he has been frustrated. She has talked about how inept the Law Department is. She has been here three years, why has she not changed it? Alderman Bernstein loves Herb Hill, but he has put the City at risk time and again. The City is out lawyered. Her people were at a recent A&PW Committee meeting and staff couldn't answer questions. Did she think some were trying to sabotage her? Alderman Jean-Baptiste was at that meeting and Judy Aiello kind of put them off until the next meeting. There were no representatives from departments present. Ms. Carroll's rule is to always have someone there to represent the departments.

In response to Alderman Wollin, Ms. Carroll stated that Judy Aiello is responsible for community development, Human Services, library and public works. Rolanda Russell is responsible for finance, human resources, parks/forestry and recreation and business, process and technology. She has fire, police and law.

Alderman Rainey commented that Council is afraid of being sued. Alderman Moran said in the City of Chicago people file complaints that go to the 14th floor. You cannot fight City Hall.

Alderman Rainey said the presentation at Circuit Court last week was pathetic. Two cops testified. She wanted to talk about court liaison Bellino. Alderman Hansen held up that position for being vacant; suggested they get rid of that position. Chief Eddington told her he wanted to reorganize the department and why he wanted to fill it. A criticism is the court liaison has not seen the light of day.

Ms. Carroll stated that department heads are not required to live here. Many are two income households. Chief Eddington wanted to live here. If they have something that has gone on, she wants to hear about it.

Alderman Jean-Baptiste wanted more information about the Community Development Department. Ms. Carroll has some ideas about an economic development plan. The General Fund is generally in good shape and the pensions must be addressed. A Blue Ribbon panel is needed. Whatever is not done this year will come back and bite them next year. She is trying to get on a course of financial success. Alderman Rainey would like to contact the prior actuary.

Mayor Morton urged that they join ranks in view of criticisms. Not all come in and tell the truth. Join ranks and carry the City forward. Ms. Carroll meets monthly with Aldermen Holmes, Wollin, Tisdahl and Wynne.

Mayor Morton recalled trying to shape up things at Haven School. A staff member told her that people were walking on eggs. If people are feeling bad, if she is sending e-mails everywhere and creating major problems, get on the telephone. The manager has a responsibility to let them know. All want employees to know that things are changing and try to work with the unions. It is all for the good of the cause if given in a spirit of trying to help. Try to make the city manager so that she can be the best city manager and try to make the staff the best. Mayor Morton thought if the manager put in time on subordinates, walked and saw how the garbage trucks are operated, the building is cleaned, etc., and then staff would know she cares. Ms. Carroll stated that she meets with employees.

Alderman Bernstein stated he would get specific criticisms.

There being no further business to come before Council, Mayor Morton declared the meeting adjourned at 11:38 p.m.

Mary P. Morris,
City Clerk