

**SPECIAL CALL CITY COUNCIL MEETING
FRIDAY, MAY 6, 2011 3:00 P.M.
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA**

A G E N D A

- 1. CALL TO ORDER**
 - A) Roll Call
 - B) Pledge of Allegiance
- 2. PUBLIC COMMENT**
- 3. APPLICANT TO BE INTERVIEWED FOR THE CITY MANAGER POSITION**
 - A) Kenneth Griffin
- 4. SELECTION OF CITY MANAGER** - Process to be discussed and handled by Mr. David Johnson/HR Dynamics
- 5. ADJOURNMENT**

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This is a Public Meeting. Should any interested party seek to appeal any decision made by Council with respect to any matter considered at such meeting or hearing, he will need a record of the proceedings and that, for such purpose he may need to ensure that a record of the proceedings is made which record includes the testimony and evidence upon which the appeal will be based. Anyone who needs a special accommodation for this meeting may contact the City's Americans with Disabilities Act (ADA) Coordinator at 978-4920 at least 48 hours in advance of the meeting.

**SPECIAL CALL CITY COUNCIL MINUTES
FRIDAY, MAY 6, 2011 3:00 P.M.
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA**

PRESENT: Jay Kramer, Mayor; Pilar Turner, Vice Mayor; Craig Fletcher, Councilmember; Brian Heady, Councilmember and Tracy Carroll, Councilmember. **Also Present:** Monte Falls, Interim City Manager; Wayne Coment, Acting City Attorney and Tammy Vock, City Clerk

1. CALL TO ORDER

A) Roll Call

Mayor Kramer called the meeting to order and the Clerk performed the roll call.

B) Pledge of Allegiance

Mayor Kramer led the Council and the audience in the Pledge of Allegiance to the flag.

The Clerk requested that an item be added on to the agenda – “Letter of Intent from FPL.”

Mr. Fletcher made a motion to adopt the agenda as amended. Mrs. Carroll seconded the motion and it passed unanimously.

2. PUBLIC COMMENT

Mr. Ken Daige asked the Council if the public will be able to ask questions of the applicant like they did at Tuesday’s meeting.

Mayor Kramer told him that the public would be able to ask questions of the candidate.

At this time Mr. Monte Falls, Interim City Manager, excused himself from the meeting.

3. APPLICANT TO BE INTERVIEWED FOR THE CITY MANAGER POSITION

A) Kenneth Griffin

Mr. David Johnson, of HR Dynamics, introduced Mr. Kenneth Griffin to the Council and went over his background (resume on file in the City Clerk’s office).

Mr. Ken Griffin said that he has had a good career in City and County Government and in utilities. He is presently employed at Hillsboro County. Prior to that he was Executive Director of the Pro River Valley Water Supply District (Mississippi). He also served as a Civil Engineer, Public Work’s Director, and Utilities Director in different communities. He has a Bachelor’s Degree in Biological Sciences, a Master’s Degree in Civil Engineering, a Master’s Degree in

aquatic chemistry and biology, a PHD in Leadership and Management. He said that he has done post graduate coursework at Harvard University in strategic public sector negotiations. He said that he also has done post-graduate course work that has helped him in being a Municipal Manager.

Mr. Fletcher was happy to see that Mr. Griffin was a Civil Engineer. He said that Mr. Griffin had a very strong academic background, which sometimes he worries that people with strong academic backgrounds cannot translate their learning to the common person. He said that he had a long conversation with Mr. Griffin about this and he was fairly convinced that he could do the job.

Mrs. Turner asked Mr. Griffin to give his approach to budgeting and how he monitors it.

Mr. Griffin said in the last five years in being in Florida, he has learned how to develop a budget from the bottom up that is based on essential services. He said that they would need to staff accordingly to provide those services. In Hillsboro County, they went from a workforce of about 6,000, they pared back by about 1,200 in the past five years. He said that he was actively involved in managing the budget. In his last two positions he has had 18 years of having perfect budget execution in which all departments were under budget.

Mrs. Turner asked do you believe in making budget adjustments throughout the year.

Mr. Griffin answered yes. He said it was his job to come to Council and suggest adjustments and why he feels those adjustments are reasonable.

Mayor Kramer said there is going to be a challenge and they need someone who is going to hit the ground running. He asked what kind of things he feels he needs to know to get him up to speed and how soon does he think it would take him to get up to speed.

Mr. Griffin felt that he would be up to speed very quickly. He said that he has been following the Council meetings on-line and has read different publications in the newspaper. He felt that he knew what the issues and concerns are. He would like to see detailed financial documents. Then he felt that he would be a far greater help to the City in deliberations in terms of the decision regarding utilities. He said the City has done a great job in putting documents on line and he has been studying them.

Mr. Heady said the Mayor pointed out that there are some challenges here. The City is experiencing some change and the natives are getting restless. He asked what he saw as some of the first things he would come in and immediately do.

Mr. Griffin said that he would get up to speed on the utility deliberations. He said that rates have been high on water and electric for some time. He felt that the citizens want to see action and the best long term decision. He said that he would immediately work with Council in terms in helping them move through this situations made. He felt that they needed to have

performance evaluations in place right away. They need to have objectives for the Department Heads and they in turn for their Managers and they in turn for their lower employees. He would like to start a process in developing a comprehensive vision and strategic plan that would cover economic development, parks and recreation, tourism, etc. He said that he would immediately go to work on funding needs, such as grants, appropriations, partnerships with the community, etc., to secure funding for the high priority projects that they identify in the vision and strategic plan. He said that he would make sure that as they move through the process that they have staff fully on board. He said that he would be taking direction from Council who are the leaders of this community.

Mr. Heady said there were a couple different ways of attacking some issues and one of them is to find more funding and the other is to eliminate expense. He said that Mr. Griffin pointed out that one of the first things he would do is look at external funding. He asked if he sees in the City that needs to be cut.

Mr. Griffin said that he did not have an answer for that yet, but he has the experience in making cuts. He said that he would have to look at what the essential services are and how they could best be provided. He said that they need to immediately get the budget in line with the revenues. He felt that this was a community that has been remarkably successful in developing worthwhile ambitious projects.

Mr. Heady asked what are some projects that stand out.

Mr. Griffin answered the Performing Arts Center, Parks and Recreation facilities, the Airport and the Marina.

Mrs. Carroll said that Mr. Griffin mentioned that he had previous training in negotiations at Harvard University.

Mr. Griffin said it was a one week course and he never worked so hard in his life and he was glad that he took it.

Mrs. Carroll said the City Manager is often seen as the face of the City to the community. She asked Mr. Griffin to explain how he has filled that role in the past and how he would fill the role in the City of Vero Beach.

Mr. Griffin said that he would make himself available and accessible. He said that he is very active in community and civic groups. He said that he is very open and accessible at all times. He said that he would create the atmosphere to make it clear that everyone knows that he wants to hear what needs to be done, hear ideas on how it could be done, etc.

Mrs. Carroll said for the last five or six years in working with utilities in Hillsboro County and prior to that with the Water Development District in Mississippi Mr. Griffin was very involved with utilities and there are people in this community who might say that based on his familiarity

and comfort level with municipal utilities that he may be pulled towards not moving forward with negotiations for both the regionalization with the County on the water and sewer and with FPL. She asked him to explain his feelings on this.

Mr. Griffin said prior to 18 years ago he was much more a Public Works Director and Utilities Director. He went to Mississippi because there was a challenge that even though they were called a water supply district, they were a full service community. They were the largest planned development in the State. He said as the City moves through the utility deliberations they would need to look at what is the best long term solution for the customers. What interests him is the long-term picture on how they can continue to improve the quality of life in this community. That is the reason he is interested in this position.

Mr. Ken Daige asked Mr. Griffin if he had to be selected to take the course for City Manager's that he spoke about. He asked Mr. Griffin to go over the selection process.

Mr. Griffin said even though it is expensive there are many applicants for this program. He thought that he was the only Engineer in the group. He said that he was able to hold his own and he learned a lot. He said that negotiations are usually not just for one time. He said that he was in the business of trying to build long term relationships and long term negotiations that are win/win. He said that it was a great experience.

Mr. J. Rock Tonkel, County resident, said that Mr. Griffin's electric experience could be of value in this City. But, it raises the question as to whether or not the experience is somewhat narrow with respect to the broader role he (Mr. Griffin) would be assuming. He asked Mr. Griffin if he is comfortable with the Council's determination that they have made so far and their pledge to the community to sell the electric utility and enter into deliberations regarding the consolidation of the water & sewer. He asked Mr. Griffin why would he have an interest in this position if, in fact, a big part of this City's structure and people are moving in a different direction. He felt that CEO's have a different skill set. He asked Mr. Griffin what characteristics, experience and philosophy does he possess to function in an expanded role.

Mr. Griffin said regarding his experience with the Pro River Valley Water Supply District, this gives a false impression of the nature of that position. For all intensive purposes, he was a City Manager providing full municipal services to their residents as provided here in Vero Beach. He supervised each department that the City of Vero Beach has at one time or another in his career. This includes Fire, Police, Libraries, Parks and Recreation, Affordable Housing, Planning and Growth Management, Solid Waste, Public Works, Utilities, Code Enforcement, Veterans Affairs, etc. He said that is the reason he is comfortable coming here. He realizes that the City is moving quickly through a final resolution in terms of providing a most cost effective utility solution for the customers. He is comfortable with the votes that Council has taken to date. He would do all he can to support and aide the Council and to bring the staff to bear to assist the Council in terms of making final decisions. Regarding the qualities of a CEO. he has been strong as a visionary leader in being able to work with a Board/Council, to work with the citizens, staff, etc., in developing ambitious, far reaching, worthwhile, and difficult to achieve visions and then

finding the resources through partnerships, external funding, and staff endeavor to make each vision come true. He said that this is his strength and after 10-15 years with this community, as wonderful as this community is now, that he would be a significant part in helping make this community that much better.

Mr. Charlie Wilson had a question regarding ultimate responsibility. He was very impressed with Mr. Griffin's utility background and they have seen what happens when they have people in positions of authority that don't have that kind of knowledge. He asked Mr. Griffin if he understands that he is the ultimate responsibility. He asked would he present a contract to the City that he has not read.

Mr. Griffin answered no. He said the job is to be well prepared. His job is not only to make good recommendations to Council, to provide alternatives, etc., but also that Council has the confidence that he has well prepared and deliberated the issues. He said that he has been in the role of being the CEO for many years and he likes it. He likes the responsibility and what comes with it, which is the ability to make things better.

Ms. Bea Gardner said that she watched the interviews for City Manager that was held the other day so she was not only talking about Mr. Griffin. She said that she loved Mr. Fletcher's comment that they were all so good, how would they make a choice. She said that was a very good sign that Council was brought some good candidates. She recalled when this all started. The City was faced with a Finance Director that resigned, then came back on the job and then he retired. The City was without a Finance Director, without a City Manager, and without a Utilities Director. She said when this all started Council made it clear to the public that they probably would want to hire someone as City Manager who had a strong background in utilities. Mr. Griffin seems to have that. On the other hand, a candidate that was interviewed the other day had a strong background in finance. She wondered if any of the Councilmembers thought to ask the man who had the strong background in business and finance to apply for the job of Finance Director.

Mrs. Carroll said Council has candidate's summaries, which has their current salary. She did look at that and his salary was quite a bit more than what the City's salary range was for Finance Director.

Ms. Gardner said there are a lot of people who would take a different salary for a job if they feel they are lined up for the position. She asked are the requirements today the same as what they said they were four or five months ago, that they wanted someone with a utilities background. She said that was made clear because Council wanted that person to be able to help them go through the process they are in now. She asked Council that when making a decision that they take that into consideration.

4. SELECTION OF CITY MANAGER - Process to be discussed and handled by Mr. David Johnson/HR Dynamics

Mr. Johnson asked is the Council ready to make a decision.

Mrs. Turner suggested that Council go ahead with the FPL Letter of Intent (LOI) issue (add on item).

Mrs. Turner made a motion to table this item until after they discuss the LOI. Mr. Kramer did not think they needed a motion.

At this time, Council took a five-minute break.

5. Add on Item – Letter of Intent from FPL

Mrs. Amy Brunjes, FPL External Affairs Manager, said they were present today with a signed LOI by FPL Vice President, which incorporates the changes that were discussed at the last Council meeting. She went over the items that were changed with the Council (on file in the City Clerk's office).

Mr. Coment went over changes to the LOI that were done by the City that he just gave to Council (on file in the City Clerk's office). He said that he and Mr. Falls signed off on the two original LOI's and if Council is in agreement, he would ask that they initial them and then Mrs. Brunjes would take them to FPL for their initials.

Mrs. Carroll made a motion to accept the Letter of Intent as revised by both parties. Mrs. Turner seconded the motion.

Mr. Fletcher said part of the motion would be to authorize the Mayor to sign the LOI.

Mrs. Carroll and Mrs. Turner agreed.

The motion passed unanimously.

Mr. Fletcher said that he would like to have a lineage of where the paperwork would be sent.

Mr. Coment said the City has a copy of everything that was changed to the LOI. Mrs. Brunjes would take the both agreements back to FPL for the Vice President of FPL to initial and one of the original LOI's would come back to the City. He said that when the City receives the LOI back he would compare it to what Council just approved.

At this time, each Councilmember initialed each page of both original LOI's and the Mayor initialed each change that was made to the documents.

Mrs. Brunjes said that she would bring back one of the original LOI's to the City next week.

Mr. Heady said before they give the original LOI's to Mrs. Brunjes, the City Clerk would make a copy of both documents and identify that they were copies of the originals taken by Mrs. Brunjes.

Mrs. Brunjes said that this has been a long week for all of them, but it has been a very positive productive experience in working together. She felt that it would continue to be this kind of experience regardless of the outcome. She thanked Council for their cooperation and for looking out for the citizens of Vero Beach.

At this time the City Clerk and Mrs. Brunjes left the meeting to make a copy of the documents for the record.

Mr. Johnson said a good way for Council to start in making their decision for City Manager is that they choose their first place candidate and then have a discussion on why they made that choice.

Mrs. Carroll read to Council what they decided for the job description of the City Manager. She said that some of the duties of the City Manager would be hands on direction and oversight, develop and manage the City budget for all departments, develop the appropriate management structure in Human Resource policies to support current and future objectives of the City, to review the current service delivery methods and systems to identify areas for improvement and cost savings, have a careful oversight of utility operations to ensure efficient delivery of electric and water & Sewer and sufficiency of the rate structures, to work closely with the City Council and citizens to identify and resolve problems and opportunities for improved service in the community, timely preparation of reports and records as requested by the Council and provide the Council with financial analysis. She said the near term objectives and priorities the City Manager to focus on is to create and develop an excellent Management Team and supervisory structure, to develop a strong financial management process through careful analysis of the budget, timely financial reporting and bottom line accountability, to be a well respected spokesman for the City to the constituencies and to instill a strong sense of purpose in genitively review Managers and employees of the City. Council asked that the candidate must have general management experience with responsibility for at least 250 employees, multiple departments and financial responsibility for the budget, in depth knowledge of financial management, experience in a leadership position that required ongoing communication to Council or to a Board of Directors, and a proven track record of performance and increasing operating efficiency. In addition, a successful candidate would likely have experience in managing utilities, Human Resources, consolidating departments, privatizing, selecting consultants and outsourcing. Council also agreed that they were seeking a salary in the range of \$130,000 to \$150,000, the same benefit plan provided to exempt City management personnel, a \$400.00 car allowance, and out of pocket relocation expenses reimbursed up to a maximum.

At this time, the City Clerk gave Council a ballot.

Mr. Johnson asked Council to make their first choice on the ballot and he would tabulate the results.

Mr. Coment asked each Councilmember to write their name on the ballot for the record

Mr. Heady asked before they put names on a ballot, does Council want to discuss the candidates. He said that he would like to have some out loud public discussion on the process and candidates before them, as well as what he heard from the candidates. He said that he made no secret in the early stages that he did not want to spend money on a recruiting firm. He felt that they had enough balls in the air without going through this exercise. But, he also recognized that there was a need to look at that the citizens thought this was a must do. He felt that in the final analysis, the need to look does not translate into an obligation to select from the choices that are before them. He felt it was clear that the past applicants that HR Dynamics interviewed, which there were about 40. HR Dynamics gave Council the five best of that group. They then had more intensive interviews. During that process, he kept in the back of his mind that if they were going to spend \$150,000 or \$175,000 with expenses and cost, there needs to be a return on investment for the citizens of the community so that they see something for their money. It seemed to him that was pretty easy that what they need to see is \$175,000 more than what they have with Mr. Falls. If they are not getting a return on their investment, then what are they doing. In the process, he questioned many of the candidates about what they knew about Vero Beach and what their thoughts were in terms of financials (where are they going and what do they need). The last candidate today, Council heard how they could increase funding that they needed to look to internal funding. One thing that he knows the City has in the current City Manager (Mr. Falls) is that he has been looking at ways to cut expenses. Mr. Heady felt that right now they were at the stage where increasing the funding was not the way to go, but rather to go in the direction that Mr. Falls has taken, which is to cut expenses. He was in favor of a smaller government. He said one of the questions asked of the candidates by a former councilmember was how long it would take them to come up to speed and they heard different answers. One of the interesting things about the Acting City Manager is that he is up to speed. He said that he asked the candidates privately and some publically, what they saw as something they should do first. He heard a lot about looking at the City's vision for the future. The current Acting City Manager knows what that vision is and he worked on the existing Vision Plan. The current Acting City Manager has taken on the position of Acting City Manager for a relatively small amount of money. He said it was about \$6,000 a year to have him (Mr. Falls) sit in the City Manager's office and execute the duties of the City Manager in addition to his duties as Public Works Director. If they replace Mr. Falls with a new City Manager they would be adding an additional cost. He said that they would be increasing the expense by about \$150,000 that they are going to ask the taxpayers to cough up and what are they going to get for it. The criteria Council looked at in the beginning of this process included having someone who understands utilities and had some experience in electric and water and sewer. He felt that the handwriting was on the wall that the City is in some serious negotiations about consolidating water and sewer and divesting themselves in the electric. Therefore, the position that they originally started thinking on the talents needed for the position may be cut in the near future. If the City doesn't have the Water and Sewer

Department or the Utilities, their biggest department would be Public Works. The current City Manager is doing that job right now and would go back to the job if the City hires someone else as the City Manager. He felt in the interest of being concerned for the taxpayers, in the interest of the welfare of this City, that they need to seriously look at a man who did not apply for the job, doesn't want the job as a permanent City Manager, who is willing to continue in his present capacity doing the work for his current salary (Mr. Falls). In discussions with him, Mr. Falls said that he was perfectly happy continuing in that position (City Manager) for as long as it takes. Mr. Heady felt that with all the challenges that they have in light of the LOI that the Mayor just signed, that it was in the best interest not to have someone who needs to come up to speed and not to have someone who needs to come in and learn the players. At this point it would be prudent for them to keep the current situation with the Acting City Manager until at least after the budgets have been submitted.

Mayor Kramer referred to the ballot and asked the box Council fills out indicates who they want to go into negotiations with first.

Mr. Johnson said that was correct.

Mayor Kramer said then they would still have to go into negotiations and then approve an offer.

Mr. Heady said unless their choice was Mr. Falls. He said that no negotiations would be needed because Mr. Falls was willing to continue as is.

At this time Council filled out the ballot and gave them to Mr. Johnson.

Mr. Johnson reported that Mr. James O'Connor received two votes, Mr. Kevin Sullivan received one vote, Mr. Kenneth Griffin received one vote and Mr. Falls received one vote (marked on Ballot #1 attached to the original minutes). He suggested that the Council discuss why they chose the candidate and why they think Council might want to reconsider.

Mrs. Turner said that she voted for Mr. O'Connor because she felt that he brings the best mix of experience as a credentialed City Manager. He has dealt with budgets and reductions, he has utility experience and would help lead the City through this transition. She said the City needs to have a change in the way they do their business and leadership starts at the top. She felt that Mr. O'Connor would be a wonderful addition to staff.

Mr. Fletcher said Mr. Sullivan was at the top of his list for some time because of all his business experience. However, he had to step back and look because they are deep into negotiations and he did not think it would be time to experiment with a pure business person and that is the reason he did not choose Mr. Sullivan. He chose Mr. O'Connor. He said that Mr. O'Connor came across as a strong individual and he (Mr. Fletcher) does not want someone who is going to agree with him all of the time. Mr. O'Connor also understood that he would be taking

direction from City Council. He said that Mr. O'Connor made him feel good about the fact that he would get behind Council and make sure that staff also fell in line.

Mayor Kramer said that he chose Mr. Griffin. He said that there was a toss-up between Mr. Griffin and Mr. O'Connor. He was very confident about the way Mr. Griffin spoke. Mayor Kramer said that he was impressed with him.

Mrs. Carroll said if she voted yesterday Mr. Sullivan would have been far and above in terms of her choice. Today she did vote for Mr. Sullivan, yet Mr. Griffin strongly projected a sense of leadership. Mr. Griffin's utility and negotiation background could be very helpful with what the City is trying to accomplish in the future. She said that she did vote for Mr. Sullivan and her next vote would have been for Mr. Griffin.

Mrs. Turner said that Mr. O'Connor would be a great face for their City. She said that he was extremely personable and has been very active with the Chamber of Commerce. She felt that they would find him a very assessable leader.

Mr. Heady said his concern with Mr. O'Connor was his ties with FMPA. He felt that if they are serious about a change in the City's utility that someone with strong ties to FMPA that there is no doubt in his mind that they go forward with FPL offer that they were going to face challenges from the municipal groups. Mr. O'Connor has experience with FMPA, FMEA, and has dealt with OUC. If Council is serious about doing a deal with FPL then they need someone who would give the FPL offer and negotiations a consideration without consideration for past ties and Mr. O'Connor's past ties concerned him. If it is not going to be Mr. Falls, which he guessed it was not, then the comments about Mr. Sullivan having unique experience and experience without ties, seemed that he might be their best shot in coming up with resolutions to the electric and water issues.

Mrs. Turner shared Mr. Heady's concern with Mr. O'Connor's former association with FMPA. However, she noted that this was 18 years ago.

Mr. Fletcher said that they need someone who knows how they (FMPA) work.

Mr. Fletcher made a motion to authorize HR Dynamics to negotiate with Mr. O'Connor for his services for the City of Vero Beach. Mrs. Turner seconded the motion.

Mayor Kramer said that he would like to know a little bit about the negotiation process.

Mr. Johnson felt it was important that there is a potential of a second choice if things fall apart with their first choice.

At this time, the City Clerk passed the Council Ballot #2.

The motion for Mr. O'Connor being their first choice passed 4-1 with Mr. Heady voting no.

At this time the Council chose their second choice for City Manager.

Mr. Johnson counted the ballots and reported that Mr. Griffin received three votes, Mr. Sullivan received one vote and Mr. Falls received one vote (attached to the original minutes).

Mrs. Carroll made a motion to accept Mr. Griffin as their second choice candidate for negotiations. Mr. Fletcher seconded the motion and it passed 4-1 with Mr. Heady voting no.

Mr. Johnson suggested a steering committee that would include one Councilmember, someone from the City Attorney's office, Mr. Anderson, and himself to work on coming up with an employment agreement. He said that the employment agreement does the same thing as a contract and the only obligation of the City would be the severance agreement. He saw the Committee as coming up with a document (employment agreement) that should be ready and approved by Council at their May 17th meeting.

Mr. Fletcher asked Mr. Coment would the contract from the past City Manager (Mr. David Mekarski) be a good starting point.

Mr. Coment felt that Mr. Johnson might have a sample contract that he could recommend.

Mr. Fletcher said that they want to have the clause that the City Manager works at the pleasure of the City Council.

Mr. Johnson said that he does have samples from other cities.

Mr. Fletcher asked does Council need to instruct staff to form a Committee or would they instruct the City Manager, City Attorney, and the City Clerk to get together.

Mayor Kramer said that they need to decide which Councilmember would be involved. He said that he would not mind Mr. Fletcher sitting on the Committee as he has the most experience in this.

Mr. Johnson said the media and media spotlights on base salary. He would like to consider the total cost, such as relocation, benefits, retirement, etc. He felt that there was some negotiation room beyond the base salary. When they look at a benchmark of what others are paid, he looks at two criteria, which are the number of employees the City Manager is responsible for and the budget. That is how they originally came up with the salary of \$130,000 to \$150,000. Mr. O'Connor is currently being paid a base salary of about \$143,000 - \$144,000. He said that he has not seen Mr. O'Connor's benefits, but he would. He felt that they were in that range in terms of base salary, but he would like to focus on total costs and he had some ideas as to how they could keep that down.

Mrs. Carroll asked was the analysis based on what she did because what she did was based on the number of employees and not on budget, but population.

Mr. Johnson said that he tended to get away from population because the City is so unique in the number of employees, services, etc. He said that they did not go out and look for an average City Manager. All the candidates meet or exceed what they were looking for in terms of credentials. Another concept that he likes is to involve the candidate in the negotiation process. He said that the City Manager is going to be a part of this team. He said that he would like to challenge Mr. O'Connor to tell them what he thinks the compensation package should be. He would remind Mr. O'Connor that one of his challenges would be to reduce overall costs of employment in the City because of the economic needs. It would be a good leader for him to say "here are some areas where he thinks the City could save money on his contract." He felt that this would also tell them what he would be like to work with as to how he handles that challenge. He said that he strongly believes that the City Manager should have a performance based incentive bonus. The bonus would be based on key performance measures (KPM) and as part of the initial employment agreement the City Council would need to come up with four or five key measurements that they would like the City Manager to achieve by the end of the next fiscal year. He said that these would be objectives that are quantifiable and measurable so at the end of the fiscal year, the City Manager could earn up to 15 or 20% of his salary for achieving each of the KPM's.

Mr. Fletcher said if the City Manager does not achieve those goals then he would suffer the same consequences (15 or 20% less in salary).

Mrs. Carroll asked is it legally acceptable for them to do this without offering the same type of package to the other Charter Officers.

Mr. Coment said Council could negotiate a contract to whatever terms they want. He said if Council wants a group to come up with the terms of a contract and to do the negotiating, then that Committee would have to meet in the Sunshine. He felt that Council needed to appoint who they want to sit on the Committee.

Mr. Fletcher suggested that the Committee consist of the City Clerk, City Manager, City Attorney, a Human Resources representative and himself. He felt that it would be a mistake to have more than five members.

Mrs. Turner said that she was very grateful for the services Mr. Falls has provided, but was complex as to why they would include him on this Committee.

Mr. Fletcher said that Mr. Falls has been involved in a lot of the contracts and he was interested in his opinion.

Mr. Falls thanked the Council for the confidence that they had in him over the past six or seven months. He said that over the past few days he met with each Councilmember except Mrs.

Turner. He told each Councilmember that he was not looking for this job full time when he was asked to do it. He has been happy doing it as it has been a great experience. He conveyed to all the Councilmembers that if they did not come to a conclusion today that he would be here as long as they needed him to serve the City. He said that he had the chance to meet with all the candidates except Mr. Sullivan and his top two choices were the same candidates that Council chose. He said that he told all of the candidates that he would be a resource for them and would be there to help them get up to speed. He said that he would help Council however they want him in this process.

Mr. Fletcher said if Council feels uncomfortable with Mr. Falls serving on the Committee that he would be glad to remove him.

Mr. Johnson said that he found one City Manager who has a contract like he suggested. He said the key here is to have quantifiable reasonable objectives and as part of the negotiations, Mr. O'Connor should be a part of identifying his KPM's. He said if they do a good job with the KPM's, the City Council would have a better idea on how to give the City Manager his performance appraisal next year. He said that he would show the Committee the specifics on how this could be done.

Mrs. Carroll said what Mr. Johnson was saying was very valid and a great idea. But, her concern was the time frame. To do what Mr. Johnson is suggesting, the City Council would need to meet in a workshop to create this document and there would be a lot of discussion about what the KPM's should be. She worried that this may substantially delay the offer. Mr. Johnson had mentioned possibly having information by the May 17th meeting and she did not believe that Council could get this done prior to the agenda deadline.

Mr. Johnson agreed. He said that was why he would suggest that the employment agreement would have language "by the end of this fiscal year."

Mrs. Carroll said another concept would be to tie the KPM's in the budgetary cycle.

Mayor Kramer said it would be tough for a new City Manager to come up with KPM's if he has no idea of what is in the budget.

Mr. Coment said that they could put in the possibility of added compensation.

Mr. Fletcher said that the goals could be reset each year.

Council agreed that the Committee would meet on Tuesday, May 10, 2011 at 9:00 a.m.

Mrs. Carroll asked that the Committee first look at a written time frame of their projections on when they would make the offer, the time frame of acceptance, when they would have a decision, and if they would need to go to their second choice. She would appreciate if this was the Committee's first goal.

Mr. Coment asked if he was correct that the Committee would probably negotiate a contract with Mr. O'Connor and if they come to terms they would bring that to Council. He said that they could probably accomplish this in a few weeks.

5. ADJOURNMENT

Mr. Fletcher made a motion to adjourn today's meeting at 4:41 p.m. Mrs. Carroll seconded the motion and it passed unanimously.

/sp