

BELGRADE CITY COUNCIL SPECIAL MEETING MINUTES
COUNCIL CHAMBERS
September 9, 2013
7:00 P.M.

Mayor Russell C. Nelson called the meeting to order. Mayor and Council Members in attendance were: Russell C. Nelson, Brad Cooper, Anne Koentopp, Mark Criner and Tudor Gee. Others in attendance were: Acting City Manager E.J. Clark, Director of Finance Phyllis Wernikowski, Greg Prothman, Michael Tucker, Kristine Menicucci, Sue Caldwell, Michele Snowberger, Gale Bacon and Ken Smith

Council Member Gee motioned to excuse Council Member Bob Retterath and Council Member John Youngberg from the meeting tonight. Council Member Criner seconded the motion. All voted aye, motion carried unanimously.

PUBLIC FORUM

Mayor Nelson called three times for any members of the public to speak during the public forum. Hearing none, the public forum was closed.

PUBLIC HEARING

PUBLIC MEETING WITH GREG PROTHMAN OF THE PROTHMAN GROUP TO DISCUSS THE SEARCH FOR A NEW CITY MANAGER – Greg Prothman stated that he would explain the process of hiring a new City Manager.

It is a 90-day process from the date we begin to the date of the final interviews. I believe the next task will be to develop a schedule for you. The beginning of the process starts now. I will be talking to as many people as I can. I have a list of people to talk to tomorrow as well as the Council tonight. I start looking at and understanding the skills, talents and abilities, you are looking for in your next city manager. If I could build the perfect city manager, what would we put into that model? What would he or she bring to the table in terms of their background, their talents, their understandings all of the stuff we would put into that is what I am looking for. Once I have a sense of the model we will write that into a position profile and present that to the council. The staff has been very helpful in getting information to us. Once we get all the data, we are going to put together a four-page position profile. The first half is describing Belgrade and the greater Belgrade area for potential candidates to find out if this is where they want to work and live. The next step is to describe the job, characteristics and compensation in about four pages. When we have that document done, we will send it back to the council for comments.

We will find out from you tonight how far and wide to cast the net. Do we want to make this a regional 11 western states, or national effort? We will discuss the salary range and other issues. Once we have the direction from the Council, we will execute the advertising. We will be advertising in eight or ten different periodicals that city managers and administrators would look at. There will be a national search by definition because it

will be on the internet and we will have a national presence as a result. I want to make sure that every city manager and administrator in our target area in cities of comparable size knows about our opening. I will be sending out up to 700 letters. We have 10,000 hits a month on our website. In the city manager industry, The Prothman Group is well known.

In about six weeks, I will review all of the applications. I will go through them and narrow down to the top 8 to 15 semifinalists. We will check to see what the internet is saying about them, so I know what press is out there. At that point, I will set them up for an interview with myself. For the majority of interviews I will use Skype for about 45 minutes. If they are local, I will interview them in my office. Once I complete those interviews, I write up my findings for you in a summary spreadsheet. I will send materials to the City Council for the semifinalists. You will get the resumes and cover letters. We will ask them to write supplemental questions on a number of topics. I want to see what their writing skills are. We will send our Google findings and the summary of my interviews of what I liked and any concerns. I will also give you my ranking of who are potential finalists, alternates, and who I think are not a good fit for you.

The next meeting will be an executive session. We will go over all the candidates. I will tell you what I liked, what my concerns were and answer all the questions as best I can. As a team, we will try to narrow that down to the top 3 to 6 candidates. At that point, we will design the final interviews together. I will give you some options and ideas. You select the ones that seem best for you. Prior to final interviews, we check criminal history verify education and do reference checks. The reference checks are not just from the candidates submitted references. We will call superiors, subordinates, and supervisors from their last three jobs. I want nine references from those three categories. We will pick about five to six of those and call for references. We chase down red flags to the point where I can say I understand it and this is why and I am not too concerned about it, or it eliminates a candidate and we will excuse them from the process.

In the final interviews, you could use a staff panel, a citizen's panel, and the Council. I would like to have facilitators for each of those advisory panels. The advisory panels will not rank the candidates. Strengths and weaknesses are the best way to go in my experience. We would work toward facilitating information from those advisory panels for the Council to evaluate the qualifications of those top four or five candidates. If you get a finalist candidate, I will help with contract negotiation. I will be there with you until we come to a handshake or the parties cannot come to an agreement and we go on to someone else. If indeed, there is no one in that top five that you like we will stop the search, go back out and advertise until we find the right person. That is about 90 days' worth of work.

Council Member Cooper asked if the candidate is a working manager does that create more of a problem when you are checking them out.

Greg Prothman stated in the industry it is an established standard that until we daylight their names in the top five we keep things confidential. As an example, managers are reluctant to submit their resumes to you if we are going to daylight their

names in the top fifteen. There is no reason to burn that bridge with their city if they are not hired. Once they get to the top five, it is time to come clean. Go make your peace. At that point, we will start checking references. That is why we wait for the top five before we start that exercise.

Mayor Nelson stated there has been some talk with the Council of trying to do this western region instead of nationwide. What is your thought concerning that. Do you support that do you have an opinion on that?

Greg Prothman stated first recognize you will have national exposure. Applications will come from Florida to Alaska to New Mexico and everything else in between. I think there is validity to the argument that we live in the west. There are regional differences between managers in the east and south that do not translate as well to the west. I never want to exclude anyone per say, but we have limited dollars and you are not going to give me an unlimited budget on this. I want to spend your money wisely. I think that it does make sense to limit your direct mail campaign to the 8-10 western states. Then between cities of 4,000 to 5,000 to 40,000 up to 50,000, we might pick up an assistant. With that range, we have identified 500-700 letters. That is one of your big expense items because each letter is about \$2.35 to get out. The second big expense on sourcing is just the cost of placing the ads.

Council Member Cooper asked if an assistant manager applies from a city of 100,000 are they going to understand a small city like this.

Greg Prothman stated the harder analogy to get to is someone coming from 400,000 where they have bureaucratically driven institutional processes. I was a city manager for nine years in a town of 28,000 but I started my career as an assistant in the same town of 14,000 and when I took over as city manager it was about 16,000 and we grew through annexations to about 28,000 in the course of nine years. That was a very hands-on position. I did not have many people to delegate to. I did not have many staff members so I carried a portfolio of work in addition to the day-to-day management. My guess is that is going to be the same case here.

This is a working manager's position. With an assistant from a large organization, I will investigate their day-to-day work and find out how really dirty their hands are getting. Do they have those requisite skill sets? How broad is their portfolio of responsibilities. Are they dealing only with public works and do not have any experience in police, fire, or planning? They need to have that broad understanding of each of the different municipal disciplines that make up all of our departments. I will test for that also.

Mayor Nelson asked if we could require them to live in the City or within the school district.

Greg Prothman stated I am not sure about residency in how it relates to Montana Law. There is usually a preference for the manager on behalf of council members to live in the community. The thinking goes that it is very nice for the manager to see the implications of his or her decisions on the community in which they live. If you have a

candidate from the region and already owns a home locally, that situation would need consideration.

My recommendation to accomplish having a city manager move into the community would be using a compensation element to assist in helping that person move. In a smaller community like this, it could be upwards of \$7,500 to \$10,000. You can condition that to a degree on prorated basis payback if they leave within three years. You insure yourself by making sure it is a good investment and you tie up the living within a certain geographical area.

Council Member Cooper stated the manager is not required to live in the City. The Council would like to see them live here.

Council Member Criner stated at a minimum they should be within the school district. Then they are at this high school football game and the community can see them. If they are going to their children's activities in Bozeman, they will never be a part of this community.

Greg Prothman stated I might recommend the school district. We will put into the profile that the Council has a preference of seeing the manager live within the school district and being involved in the community. Really, what is important is being involved in the community. What you really want is someone who is actively involved in the community and involved in the fabric of the community. I will look at it and put it in the package and you let me know. You cannot require it, but you can list it as a preference. We can condition the moving expenses based on that and that is one way to make it work.

Ken Smith asked on the budget end of it, what do you allow for compensation in this position and how does it compare to other communities of the same size. Are we competitive, how do we stack up?

Council Member Cooper stated we have not set compensation for the new city manager yet. We are going by what the former city manager made. I am thinking of \$85,000 to \$90,000.

Ken Smith asked is that salary, or the entire compensation.

Council Member Criner asked if that figure would include a car allowance.

Council Member Cooper stated the need to have negotiating room and incentives you could add because there may be some people who may not respond otherwise.

Mayor Nelson stated common benefits are paid holidays, health insurance, and a car.

Council Member Criner stated that housing allowance to live in the city might be included. I believe that the Bozeman City Manager receives a housing allowance to be able to afford to live in Bozeman. Higher end cities might pay a housing allowance so that the manager can afford to live in the community.

Greg Prothman stated you have the pressure of what is appropriate for Belgrade based upon the local income of residents here and the cost of housing and the kinds of numbers you are talking about probably make sense given those kinds of considerations. The problem becomes is your market for city managers and city administrators is multistate wide. It is the western United States. If I look at that broader market, most assistants are making \$90,000 to \$110,000. Quality managers are going to be in the \$100,000 to \$125,000 range.

The difficulty of your decision will be how do you pay enough appropriate attention to the local economy here, while yet not limiting yourself so strictly that the quality of the candidate pool is diminished as a result. I had the same conversation with your friends at Polson. They chose to go to \$90,000 they stretched and did well. They have a pool that will be okay for them. Your bar may be different. You have a different set of circumstances here.

My encouragement is to set your upper range high enough where it attracts an outstanding candidate where he or she is at the zenith of their career. If we find a rising star that we can attract at the lower end, we do not have to over pay. Setting a range that is wider than the \$90,000 might serve you best in the end. I will do whatever you direct me to do and I will do my very best.

Council Member Koentopp stated if you have a range that is \$25,000 to \$30,000 wide, you might find a star that will come in at the lower amount. You may not have the cream of the crop to pick from and we may not get what we want.

Greg Prothman stated I want to give you as much flexibility as I can for you to make the best decision you think is appropriate for your community. I do not want to limit your choices profoundly by not offering a high enough salary given the broader market notwithstanding the local economy here.

Council Member Criner stated our City Manager is going paid considerably less than his Fire Chief. In two years that may be an issue. The new city manager may want more from us because he has a subordinate that makes more money than he does.

Greg Prothman stated I think the low number of \$85,000 puts the city manager a couple thousand dollars above your highest paid director here. My recommendation for the upper range is \$110,000 to \$115,000. That gives you the best opportunity to attract the best talent we can. You chose to hire within that range as you see appropriate.

Mayor Nelson asked Mr. Prothman if he thought the Fire Chief being paid more than the City Manager would become an issue.

Greg Prothman stated that it is comparable. The fire chief provides a very important service to the community. You provide multiple services to the community. The responsibility and the knowledge base of your city manager cover not only some knowledge of the fire service, but police, public works, finance, library, and planning and everything else in between. He or she must have a good working knowledge of each of

those disciplines to be functional. One could make the argument that there is going to be a higher level of responsibility as a result.

If you hire a rising star at \$90,000, I think that is fine. The fire chief reports to a separate board and a separate taxing authority and is a completely separate organization. I think we are okay doing that.

Ken Smith stated concerning the compensation, I moved into the area in 1995. I took a 30% cut in pay. With the amenities here, the mountains and the outdoors I was happy to do it. Many people come to this valley and do the same thing. You could catch a rising star who is an outdoor type who likes to hike and do that kind of thing. I try not to think of six figures because that is a big number for me. It is good to have a range.

Mayor Nelson stated that is a good point, but I do not know if that would affect the range.

Greg Prothman stated there is a reason why you have all chosen to live here, stay here, and work here. This is a marvelous area. That will come into play to an extent as to why people chose to come here. I hear that in almost every city that I go. People are very proud of where they live, where they work, and why they have chosen to come here. It does not mean we will not find someone who says wow I have been trying to find a job in this valley for three years. It will not affect the quality of your candidate pool by itself.

Demographically there are about 6,000 members in the International City Manager Association, nationally. When you take off half of the country to the east, there are a much larger proportionate number of managers in the east than there are in the west. It is about 2/3 to 1/3 demographically. Now we are down to about 2,000 managers of which some number of those are retiring baby boomers, many are happy in their job and do not want to move, many were fired multiple times. Our pool gets smaller quickly. We will send out 600 letters to everyone in that pool. I expect we will get about 40 applications. Probably 15 will be people who do not have a clue for what they just applied for but they saw it somewhere. The numbers dwindle. I try to protect you as best I can and make sure you have the best opportunity to select from the best pool available.

Kristine Menicucci stated that a wise man once told her the scenery is not edible. The only thing I have to add is if you go to the lower end of the salary you are going to get someone who is a resume builder and will be out in two or three years. We have to be careful of that. I do not think anyone is going to stay 23 years, but on the other hand, you have to be careful that someone is not here just to make hay and take off in a couple years.

Council Member Koentopp stated you do not want to have someone that just came to fly fish and retire in two or three years. We are looking at both ends of the spectrum.

Library Director Bacon asked about the process. How do you frame the interview questions and who has input into those.

Greg Prothman stated that out of today and tomorrows conversations I will have a good sense of what it is you are looking for. The first criteria is screening for candidates. Once I have an approval from the Council I will know what the bar is and I will know what I am looking for. When we get to the final interview process, we have probably 20 to 25 questions that we will submit to each panel. The panel will get to select and modify those questions as they see appropriate. We will make sure that the more basic questions are in there to make sure we have a complete look of the candidate. That is a process we have used and it has worked well for us.

Library Director Bacon asked if the interview panel would use a point system.

Greg Prothman stated no, it is a much more intuitive process. Each of us may evaluate somebody in a different way. Some people like to take copious notes, others sit back and everything in between. My job is to make sure that anyone who walks in here as a finalist candidate has the ability to do the job. I will prequalify those folks to make sure that they have the requisite skill sets. Now we are talking about fit. When we are talking about fit, we all know when it happens but no one can describe it. What the final interviews focus in on is fit rather than technical skill sets. If the Council uses a staff panel, they can certainly dive into the technical qualifications a little more deeply than I might, but that is the only area where that occurs. I like to focus on strengths and weaknesses in the debrief process and help the Council get as much information as possible. The Council then retreats to executive session and makes a decision in a process that I can help facilitate.

Library Director Bacon asked if the interviews would be open to the public, and decisions in executive session.

Greg Prothman stated he had seen it done both ways. I have seen councils hold their own interviews in executive session, but the citizen's panel is an open session, where people can watch. I have seen it all happen in open session, but more than likely I have seen it all occur in closed session. It is whatever the Council wants to see occur. The City Attorney may have a different opinion on that. I would defer to what is legal according to Montana Law.

Council Member Cooper stated that 24 years ago we hired someone to hire a manager before we hired former City Manager Menicucci. He recommended three candidates. The process was in closed session. It turned out bad in one year. The next time we had the former City Manager Menicucci come in for an interview and that was in closed session, but we asked direct questions. Does the Prothman Group ask direct questions like issues that might affect that city?

Greg Prothman stated I always recommend that some portion of the process be conducted in open public session. I am going to recommend to you that you use a reception the night before where you invite everyone and their brother to meet the candidates and hear a summary of their qualifications. The reception will provide an opportunity to meet the candidates on a one-on-one basis and the public can meet the candidates. We will provide comment cards for those who attend. They can give their thoughts, ideas and insights on those candidates based on what they have learned. It not

only gives the citizens a chance to meet the candidates but the candidates are evaluating us as much as we are evaluating them at that stage. The candidates enjoy this process too because they get a sense of the community.

In my interview with them not only am I getting a sense of who they are technically, I am also getting a sense of why they want to come here. I cannot ask protected class questions, I am there for the candidate. We discuss the community, schools, how the family will adjust. These are big moves and we want a manager to stay for a minimum of 5-7 years. That is the handshake agreement if they become a finalist. If you have a big issue in the City such as relocating your sewer treatment plant and you need someone to negotiate a right-of-way use agreement takes a certain level of expertise. I might search for that certain expertise also.

Library Director Bacon stated she saw great value in getting community input. We are all guilty of working within our own little box and not realizing what is on the public's mind. We found it to be quite effective so when that person came in they were set up for success because the skills and strengths that the community felt important were intact.

Michael Tucker from 209 W Main stated when the Belgrade School Board hired Candy Lubansky to run the schools the elected officials discussed the merits of who to hire and run the school in an open meeting. I do not see why the Council would do anything differently. The citizens are paying the bills and would probably like to know what the concerns of the Council are and where tax money is spent. I would think that you would want to have this meeting open, as it is not an issue of the law or a lawsuit. You could argue that it is a personnel issue but the people are footing the bill and I think that the public right to know would outweigh the privacy issue.

Greg Prothman stated that is a relevant point. Lakewood Washington, a city of 50,000 has very similar laws. You can stay in executive session if you want and do everything in private. This particular Council chose not to do that. They felt that this is a public process and the public should see how the process works. They engaged in their evaluation of the candidate's strengths and weaknesses publically. The candidates were no dummies. They watched it on TV. The Council arrived at the number one selection. That worked just fine. Candidates two, three and four withdrew from the process. There was only one candidate at that point. The City was able to negotiate a contract with that person, but it placed the City in a very difficult situation because they had no one else to turn to and the candidate knew. That candidate had the upper hand in negotiations. It is a balancing act. Working our way through so it meets both needs are met is the hard part. I leave it to your discretion on how you want to handle it.

Judge Snowberger stated that she had heard a lot about coming together with skills sets from different perspectives on what would be important working for a City Council or Department Head, or members of the public. Maybe a little more basic than that is the Council, has there been an update to the job description? What are basic city manager qualifications?

Council Member Cooper stated that the job description in the Charter is already in place.

Mayor Nelson stated that the job description might have more emphasis on computer skills. The Charter does not talk about computer skills, but the job description may. I think we will have Mr. Prothman's group look at that and make suggestions as to how we can revamp if it is not adequate within the boundaries of the Charter.

Judge Snowberger stated my job description required that I graduated from high school. That is a low standard, but I think there would be preferences the City would want. We would perhaps look to someone with more experience, more education, or those types of things. There might be some preferences on how that looks. I was wondering if the preferences in the job description are developed.

Mayor Nelson stated that they have not developed the job description preferences at this point, but Mr. Prothman will have some suggestions.

Greg Prothman stated in most cases we require a bachelor's degree, but we leave it open to what it is in. Preferably, the degree would be in public administration, business administration, but could also be in planning, police science or any one of the other disciplines that might be relevant. We have even had degrees in irrelevant fields of study. We considered the candidate because their experience was excellent. We also ask for a master's degree either a MPA is preferred or MBA, but it is not a requirement. We usually keep the experience set of five to seven years of applicable experience. The bar is not set high because I want to encourage as many people to apply. The critical path for me is where they received training, where they got their understanding of municipal law, Montana law, how they came up through the ranks. I want to see their experience set and how they got there. I think education is a great starting point and it teaches you how to think and it is important to have those things completed, but it is not end-all. When we go through our evaluation, we look at all those criteria.

Council Member Koentopp stated I have followed Polson. I think they definitely knew what they wanted for a City Manager.

Greg Prothman stated that Polson surrounded by an Indian reservation. Having tribal experience and working with tribes was important. We tested and discussed the situation with the candidates.

Council Member Cooper stated the most important skill would be that the candidate knows how the budget works. He would present the budget to our Council. I would like to find someone who has actually written and submitted a budget for at least two years. I would prefer someone with experience with the Block Grant and have education in economic development. Having an open door to the public is important. Planning department would be an important piece as well.

Council Member Koentopp stated long range planning is important. I pushed for yearly meetings for a long range plan of city beautification, parks and pool ideas and be

on the same page. Negotiations with Central Valley Fire Department are going to be very important. Communication with staff is upmost.

Council Member Gee stated that the key factor would be economic development. Trying to figure out how to get business to come to our area and stay here is important. The candidate would need to be visible by going out and shaking hands, meeting the community. Listening to the citizens and taking their ideas and feelings into consideration is important along with some budget experience and being able to delegate.

Council Member Criner stated the most important piece would be the economic development of going out and getting tax paying businesses here in Belgrade. I would like to see someone who has had to run a city that is only six miles from a larger city. We are not far enough away from Bozeman. If the candidate came in from Miles City, Polson, or Laurel they are far enough away that those big stores still come in. Those businesses do not want to come to Belgrade because they do not have to. A candidate who thinks outside the box and can bring tax paying businesses to Belgrade would be of benefit to the City. I am worried about in bringing in larger businesses and not being able to accommodate them due to our sewer. A candidate with the skill set to make sure we are where we need to be, what it will take to grow, what size of sewer plant it would take to support our town and future needs. I would hate for our growth to stop because we did not plan for water and sewer. A candidate that can formulate a plan for our parks that not only serves Belgrade, but also the large neighboring subdivisions that put a strain on those services without paying for them. A candidate with experience or education in bond issues, mill levies, and grant writing

Council Member Koentopp stated that being active in the legislature and testifying before committees and being involved with the Montana League of Cities and Towns.

Ken Smith stated all of the ideas are good. Put all the ideas together with a candidate that is a very effective communicator.

Kristine Menicucci stated a candidate having a rapport with the congressional delegates and state offices. That institutional knowledge is essential. Knowing them is how you bring in the money to the City. Lobbying has brought funding to the City in the past.

Mayor Nelson stated a candidate should be a good communicator and mentor. The staff needs to feel comfortable and the candidate needs to be approachable. Do you see review process where the Council reviews the City Manager? Do you see that there are reviews by the City Manager of the department heads and department heads doing annual performance reviews of their staff?

Greg Prothman stated that is an institutional process in almost all well managed communities. In the more progressive communities, the manager will ask for a 360 review and ask for feedback from their department heads. It is not so much to provide a numerical evaluation, but a learning tool to get better at what they do. I would recommend both of those processes if you do not have them already in place.

Mayor Nelson stated it would be beneficial to have candidates that have been involved in progressive review processes and to know what extent they have been involved with that.

Council Member Criner stated he thought that all city managers and department heads review their subordinates.

Judge Snowberger stated that there is no review process in the Court system. Maybe the police department is different but as far as I know, there is no review process on the administrative side for performance reviews. There has never been a performance review here. We have talked about them on several occasions. This is the first job I have had without a performance review. It is a little different as a judge, but it would be difficult for someone to review me who is not familiar with that position.

Acting City Manager Clark stated that the Police Department does personnel reviews. The Public Works department does performance reviews. I think that the Library does performance reviews. When the auditors do their audit of the City they will request a random selection to make sure we are doing them.

Judge Snowberger stated she has asked for assistance in doing performance reviews. People have come to me in the past and have said that the performance reviews should be happening. I have asked what the Belgrade City format is for completing a performance review and about training for the supervisor to give that. That information has never come to me. It is not that I am opposed to giving performance reviews, but I do think that there should be policies in place about how to do performance reviews, what the process is for doing the evaluation, what the appeal process is. That information was never provided to me. I am interested in doing them and I have asked about it.

Greg Prothman stated that we have had a good debate on salary and I am not sure that I heard a conclusion to it.

Mayor Nelson stated I ask that in the case of a city that has long time chief of police, long time finance directors, the city department heads have been with the city 20 to 25 years. You bring in a city manager, those department heads and employees are at the top of their job categories. Does that mean with a new city manager that has been in the business five to ten years they need to make more although they have only been in their careers for 20 to 25 years.

Greg Prothman stated that is almost exclusively the case in the industry. Whether it is right or wrong I am not going to comment. At the very least, it is one-dollar more than highest paid department director. I have rarely ever seen a city manager come in making less than one of their subordinates. I will go back, finish the proposal, put what I believe the estimate of a salary range is, and submit it back to the Council. Then have a speakerphone meeting with the Council and hear your comments on the profile. We can then finish our discussion on the salary at that point. You have had a chance to reflect on it, think about, and make a considered decision.

Council Member Cooper asked when Mr. Prothman would bring back the information to us.

Greg Prothman stated in about two and a half weeks. The staff is already starting to compile the data and starting to frame it out. The critical path is getting this information. Tomorrow I will write up my notes and give it to my staff. In a week and a half, we will finalize it, polish it up, transmit back to the Council, and give you a couple days to look at it.

Council Member Cooper stated if you get us to go to \$115,000 salary range then that is a budget item.

Greg Prothman stated that \$110,000 is a better number in my mind. Right now, I would put \$85,000 to \$110,000 as the salary range.

Council Member Cooper stated if everyone on the Council would agree on the top range being \$110,000 then there is no sense in having Mr. Prothman come back.

Greg Prothman stated the other thing to think about too, the IRS treat car allowances as regular income. In situations where I find City Managers that have been with a City for a very long time, their salary does not keep up with the industry. There is always a salary gap. You are now catching up with the industry as a result.

Council Member Cooper stated if you had someone that could do well in economic development and build that fund. You could pay more salary to a manager that does more work on economic development.

Greg Prothman stated in today's post-recession environment most managers are expected to figure out and have knowledge of economic development skills, business attraction and business retention. I think all of them have gotten their hands dirty in that area. It has been a necessity. Attracting businesses and retaining businesses is a critical item. I hear it from virtually every council now that is recruiting a new manager. I do not think that those are unrealistic skill sets to ask for.

Ken Smith asked what about incentive goals. Is it too difficult to do incentive goals?

Greg Prothman stated yes and no. I think that the problem here is two-fold. If the manager were already in place to retain and keep that person here, incentives would work well. I see managers receiving bonuses, if they achieve specific goals or satisfaction. The difficulty here is that you are trying to attract a manager to come. He or she is comparing your salary against 25 other jobs out there and we are competing against other cities. We are also competing against their current salary, where they are earning today. That is our competition. That is what we are trying to work with. I do not think that the incentive opportunity works as well for attracting a manager to come. It probably works better in keeping a manager once they are here.

Mayor Nelson asked Mr. Prothman about the range with the fire department of \$80,000 to \$100,000.

Greg Prothman stated that if that were the will of the Council I would do my best to recruit against that.

Mayor Nelson stated I think that we have the same issue at \$105,000 or \$110,000.

Greg Prothman stated rarely do I see a council actually paying the top of the scale. Of the 80 to 90 searches I have done I have seen three managers hired at the top salary range. It is usually a much larger city in that situation. They give the person hired the top range because they want the very best and can afford it. Most of the time you pay about the middle range on average. I am trying to get enough out there to attract good candidates. More than likely you will not attract someone at \$85,000, but it is a reasonable bottom end.

Finance Director Wernikowski stated that the previous City Manager pay came out of four to five different funds, planning, water, sewer etc.

Greg Prothman stated that you have to provide a rationale and be able to document how much time goes into each area and managing those areas. You can take a requisite amount out to help support the salaries.

Finance Director Wernikowski stated that the auditors would accept a very basic rationale so they see the reasons for the funding from each area.

The Council demonstrated agreement of the salary range of \$85,000 to \$110,000 by nodding of heads.

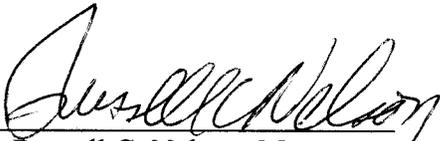
Greg Prothman stated I am comfortable with what I have here. Ultimately, the Council will need to approve the profile and if you want to do that by motion, you certainly can. My first task is to get the profile done as fast as possible. Second is to give you a schedule of the process. Currently, we are looking at just after the first of the year for interviews. I have the direction to look at the local western approach. That is what I needed today to move forward. We will finish the exercise tomorrow and write it up and get going.

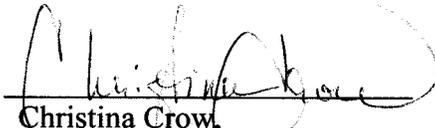
Council Member Koentopp asked if you see that the regional search is not panning out would you come to us before we go through this whole process and say I think you need to expand your search.

Greg Prothman stated that will probably not be necessary. City Managers tend to procrastinate in that they wait until the very last minute to apply. We will limp along for four to five weeks and at six weeks, we will receive the majority of the applications near the deadline for applications. We will place an ad in the International City Managers Association and every week an email blast goes out to all the members as well as all the available jobs in the nation. We are going to get really good coverage.

ADJOURN

Council Member Gee motioned to adjourn at 8:30 PM


Russell C. Nelson, Mayor


Christina Crow,
Administrative Secretary