

CITY OF MELBOURNE, FLORIDA
MINUTES –SPECIAL MEETING BEFORE CITY COUNCIL
OCTOBER 24, 2002

A special meeting of the City Council was held in the City Hall Council Chamber, 900 E. Strawbridge Avenue, and was called to order to 7:30 p.m. by Mayor John A. Buckley.

1. All present gave the Pledge of Allegiance to the Flag of the United States of America.
2. Roll call.

Present:	John A. Buckley	Mayor
	Loretta Isenberg-Hand	Vice Mayor, District 6
	Richard Contreras	Council Member, District 1
	Ed Palmer	Council Member, District 2
	Pat Poole	Council Member, District 3
	Grace Walker	Council Member, District 4
	Cheryl Palmer	Council Member, District 5
	Henry J. Hill	City Manager
	Paul Gougelman	City Attorney
	Cathleen A. Wysor	City Clerk
	Amy W. Elliott	Assistant City Manager

3. COUNCIL ACTION RE: Retention of a firm to coordinate the recruitment and selection process for a City Manager.

Council received proposals from the following 13 firms that are interested in providing the executive search for selection of a City Manager:

Bennet Associates
Northbrook, Illinois

PCR HR Solutions
Orlando, Florida

Colin Baenziger & Associates
Wellington, Florida

Ralph Andersen & Associates
Rocklin, California

Condrey & Associates, Inc.
Athens, Georgia

Slavin Management Consultants
Norcross, Georgia

David K. Wasson Management Consulting
Houston, Texas

The Mercer Group, Inc.
Winter Haven, Florida

JBS International
Cape Coral, Florida

The Oldani Group, Inc.
Bellevue, Washington

MAXIMUS, Inc.
Los Angeles, California

The Waters Consulting Group
Dallas, Texas

MGT of America, Inc.
Austin, Texas

CITY OF MELBOURNE, FLORIDA
MINUTES –SPECIAL MEETING BEFORE CITY COUNCIL
OCTOBER 24, 2002

All the firms have been advised of the October 24 special meeting and informed that they will have an opportunity to make a presentation to Council. Staff has provided a ranking form for Council to use. Following the presentations, Council should make a selection and work out an acceptable agreement with the selected firm.

Mayor Buckley recommended that the four firms in attendance make their presentation to Council in alphabetical order.

COLIN BAENZIGER & ASSOCIATES

Colin Baenziger distributed a copy of his presentation to Council. He commented on the following: he has been in this business for five years; his concentration is in Central and South Florida; he has no aspirations to be a national firm; he believes that Florida, the managers and the challenges are unique; he has attended two Melbourne City Council meetings because he believes it is important that he knows Council as a group; his goal is to find the right person who is the right fit for Melbourne; and he has been a manager in Florida and understands the Council-Manager form of government and relationship.

Mr. Baenziger discussed the guarantee/warranty and said that if the manager selected for Melbourne leaves in the first year, the replacement search will be free, and if the manager leaves during the second year, the replacement search will be half-price. He stressed that managers in Florida know him and he guarantees his work.

Continuing, Mr. Baenziger said that if he is selected, he has an advertisement ready to run tonight. He referenced the ad, which is included in the material distributed, and said that a tight schedule is necessary in order for Council to have Mr. Hill's input.

Mr. Baenziger explained that following the process, he will check on the progress of the new manager. He acknowledged that the city has an internal candidate and said that it is important that she be given the same consideration as the candidates from the outside.

Mr. Palmer listed the following five traits/characteristics and asked Mr. Baenziger which is the most important: persistence, dedication, honesty, trustworthiness or experience.

Mr. Baenziger said honesty and integrity are the most important traits. He added that it is also important for a person to have length of service; it shows that they have survived based on integrity.

Mrs. Palmer asked Mr. Baenziger if he searches for applicants who are not necessarily looking to be hired. Mr. Baenziger replied yes and commented that the person selected for Palm Bay was working elsewhere as a city manager.

Mrs. Poole asked if a background investigation is conducted on applicants – including arrest record. Mr. Baenziger replied that they conduct a criminal records check, credit history and search of civil records.

CITY OF MELBOURNE, FLORIDA
MINUTES –SPECIAL MEETING BEFORE CITY COUNCIL
OCTOBER 24, 2002

Mrs. Poole asked how the list of applicants is compiled. Mr. Baenziger said typically half the applicants are from Florida – some he has identified and some have applied. Additionally, advertisements are placed in the appropriate journals. He stressed that he focuses on Florida because it is different with the Public Records Law, Growth Management Act and the Sunshine Law.

Mr. Baenziger confirmed that his fee (\$16,500) is a flat fee; all expenses are included. And, the development of the brochure is included in the expenses.

Mrs. Hand asked if the search for a candidate would include people rejected from other communities. Mr. Baenziger said yes, if he/she is a good candidate. He noted that the qualifier is whether that person is the right person for Melbourne.

Mr. Contreras asked how many city managers Mr. Baenziger has been involved in hiring. Mr. Baenziger said approximately 10. He added that none left in less than a year and all but one are still in place.

Mrs. Poole asked if managers from cities with lower population than Melbourne would be sought. Mr. Baenziger said most of the cities in Florida are below Melbourne's population. He commented that Melbourne is attractive and applicants will come out of the woodwork.

Mrs. Poole asked the salary range that would be recommended. Mr. Baenziger said he believes Melbourne will end up paying around \$125,000 for a good manager.

Mr. Contreras asked how an applicant's mental requirements are determined. Mr. Baenziger said many things can be picked up in a resume. Also, he has the ability to talk to people and understand who they are in a short period.

Mrs. Walker asked what the most important questions are that applicants ask (salary, population, etc.). Mr. Baenziger said the good applicants ask about the city, the council, the challenges and the group dynamics. The other candidates ask about salary.

In response to Mrs. Hand, Mr. Baenziger discussed his experience as a manager and why he made a career change.

Mr. Palmer asked Mr. Baenziger to describe what he believes Melbourne is all about. Mr. Baenziger said Melbourne is a community of about 72,000 that has been around for a long time; it has a retirement population; a diverse population; is located on the Intracoastal, so it attracts winter residents; has a lot of challenges, including finances over the next few years; redevelopment is an issue; and it is an attractive city.

Mr. Contreras asked if he views Melbourne as a retirement community. Mr. Baenziger said no, although that is one element.

CITY OF MELBOURNE, FLORIDA
MINUTES –SPECIAL MEETING BEFORE CITY COUNCIL
OCTOBER 24, 2002

Mr. Baenziger confirmed for Mr. Contreras that he senses \$125,000 is a reasonable salary. However, he would notify Council immediately if he senses that amount is too low.

That concluded Mr. Baenziger's presentation.

DAVID K. WASSON MANAGEMENT CONSULTING

Mrs. Palmer referenced Mr. Wasson's ability to recruit Mr. Hill away from the City of Melbourne. She asked what he would say to a good city manager, currently employed, to entice him to come to Melbourne. Mr. Wasson replied "the plain facts." He added that he tries to provide candidates with as much information up front as possible along with the community's needs. A specific enticement would include the challenge of the job. He pointed out that this is not a profession strongly geared towards money. However, it is important to pay adequately.

Mrs. Palmer asked what salary range he would suggest. Mr. Wasson said that would take research, but Council is probably looking at \$120,000 - \$135,000 given the size of the community.

Mr. Palmer asked Mr. Wasson how he would describe the city. Mr. Wasson said, based on extensive interviews with each Council Member and the department heads, he will put together a recruiting brochure that describes the opportunity in this community. In further response to Mr. Palmer, he said that it would be unwise to describe Melbourne at this point given the small amount of experience he has had with the city.

Mr. Palmer listed five traits/characteristics and asked which is the most important. Mr. Wasson replied that it is honesty. He noted that one of the things he attempts to do is "trust but verify." Reference checking is an extremely important part of the process and he takes more than a few minutes to conduct reference checks.

In response to Mrs. Poole, Mr. Wasson said he does have a list of prospective candidates in his database.

Mrs. Poole asked Mr. Wasson if he looks for people who have not made application. Mr. Wasson said yes and explained that he uses a combination of print ad, Internet ad and direct mail to people who hold current positions.

Continuing, Mr. Wasson said in bringing a candidate to Council, he would strive for unanimity in the process. He noted that he provided a timetable of 120 days; however, he believes the recruitment could be done in as little as 60 – 75 days. A change in the process would result in saving a portion of his fee (through reduction in the direct mail costs).

Mrs. Poole asked Mr. Wasson why his expenses are so high (search fee of \$17,500 and expenses of \$15,900). Mr. Wasson said the major difference involves travel expenses.

CITY OF MELBOURNE, FLORIDA
MINUTES –SPECIAL MEETING BEFORE CITY COUNCIL
OCTOBER 24, 2002

He added that he believes in interviewing candidates face to face. He noted that he is trained as an industrial organization psychologist and it would be unprofessional for him to render an opinion about someone he has never seen. Mr. Wasson stressed that Melbourne is talking about a considerable investment and he hopes Council would see that additional expenses achieve a higher quality result.

In response to Mrs. Poole, Mr. Wasson said his guarantee is that a manager would stay for two years. He said that the replacement would be done at no cost but he would ask for expenses.

Mrs. Poole asked if background checks are conducted. Mr. Wasson said he could accomplish that, although typically that is a chargeable expense. He pointed out that Melbourne could accomplish that through its own resources. He suggested that a criminal background investigation be performed only on the final candidate.

Mr. Contreras asked how many city managers Mr. Wasson has been involved in hiring. Mr. Wasson said 30 – 40. He added that none left in less than two years and one left in a little more than two years.

Mr. Contreras asked Mr. Wasson how he would evaluate a candidate's mental stability. Mr. Wasson cautioned that is treacherous ground and illegal under the ADA requirements. He added that the more oblique answer is that you learn about perceived mental ability during the process of the direct interview and through the process of reference checks.

Mr. Wasson confirmed for Mr. Contreras that if he senses the salary range identified is off the mark, he would notify Council immediately.

Mr. Contreras asked Mr. Wasson if he views Melbourne as a retirement community. Mr. Wasson replied that he does not know enough about the community to answer that.

Responding to Mr. Contreras, Mr. Wasson discussed the differences/similarities between Melbourne and Frisco, Texas (where Mr. Hill accepted employment).

Mrs. Palmer asked how important it is for a candidate to be familiar with Florida and its laws. Mr. Wasson replied that is definitely a plus; however, he said he is not sure that would be a deciding factor.

Mrs. Hand pointed out that Melbourne is almost built out and infrastructure is in place. She acknowledged that we do have problems with attracting airlines to our airport. She asked would make a candidate interested in Melbourne.

Mr. Wasson said that the airport is a beautiful facility that is obviously under-utilized. Attraction of carriers has to be a high priority; however, that will be tough in the aftermath of September 11. Continuing, he said Melbourne seems to have an extremely healthy business community that will continue to grow.

CITY OF MELBOURNE, FLORIDA
MINUTES –SPECIAL MEETING BEFORE CITY COUNCIL
OCTOBER 24, 2002

Mrs. Hand asked what would be considered a challenge for the candidates. Mr. Wasson replied that clearly a lot of work has been done in the redevelopment areas; however, there is more to do. Also, Melbourne is not completely devoid of vacant land.

Mrs. Walker asked what are the most important things his clients ask about regarding a city. Mr. Wasson said the first is political stability and to what extent Council works together. Clients get nervous when there are a lot of 4-3 votes on issues.

Mrs. Palmer asked how difficult it would for the community to be a sell to a candidate if during the interviews it became apparent that our city has one foot in the past and one foot in the future. Mr. Wasson asked, "What is different about that?" He added that there are a lot of communities that have mixed personalities on Council; some more conservative and some more progressive.

In response to Mr. Contreras, Mr. Wasson said he believes in truth in recruiting. A candidate needs to know up front if there are split votes. That certainly implies a career risk. In conveying additional information about the community, he said he would use information gathered from the interviews (with Council and staff), data from our Internet site and data from the Chamber of Commerce. He added that it would also be important to meet with a representative from the School Board.

A brief discussion followed regarding the search for a Police Chief. Mr. Wasson noted that Police Department recruiting is his strong suit. The city has an opportunity to save money if he conducts the manager and police chief search at the same time.

That concluded Mr. Wasson's interview.

Recessed: 8:47 p.m.
Reconvened: 8:59 p.m.

JBS INTERNATIONAL

Kelly Anderson, Vice President and Senior Consultant, reported that JBS has a lot of experience recruiting in the public sector. He added that the firm has a lot of direct experience in Florida, and they have a local office in Melbourne. He explained that they are proposing an eight-week project for the initial recruiting and tendering of an offer.

Mr. Anderson reviewed the schedule and timeline included in his proposal. Once the interview process is done, he said JBS would be happy to assist the city in negotiating with the final individual. There are no additional expenses other than candidate travel to the Melbourne area. Mr. Anderson corrected the firm's proposal and said it is \$15,000 (as opposed to \$15,500).

CITY OF MELBOURNE, FLORIDA
MINUTES –SPECIAL MEETING BEFORE CITY COUNCIL
OCTOBER 24, 2002

Continuing, Mr. Anderson said they have a guarantee, which makes this a risk free proposal. JBS will find the city a candidate that will exceed our expectations. If that candidate quits or is terminated, a search will be conducted for no additional charge.

In closing, Mr. Anderson said he feels JBS International has a quality process; they have this down to a science.

Mr. Contreras asked Mr. Anderson how many city managers he has been involved with recruiting. Mr. Anderson said he recently joined the firm. He added that he does not know how many JBS has recruited. To his knowledge, they have never had an individual fail to perform.

Mr. Contreras asked how a candidate's mental stability could be judged. Mr. Anderson said mental instability would certainly come out when reviewing background and experience. Also, they are able to get a good impression when conducting telephone interviews; their recruiters have been doing this for a number of years.

Mr. Contreras asked the salary range for this position. Mr. Anderson replied that is out of his area of expertise; however, they would provide a salary audit as part of their service. Mr. Contreras asked how JBS would determine the characteristics and attributes of the city. Mr. Anderson said the local office will spend time with the City Council and selected members of staff.

Mr. Contreras asked Mr. Anderson if he viewed this as a retirement community. Mr. Anderson said Melbourne has an industry that is vibrant. Also, the city has retired people and attractions for people looking to retire.

Mrs. Poole asked if JBS would conduct a criminal background investigation. Mr. Anderson replied that they would conduct a criminal, financial and work history.

Mr. Palmer listed five traits/characteristics and asked which is the most important when looking for a candidate. Mr. Anderson replied integrity and honesty. He added that it is difficult to "teach" honesty to a person.

Mr. Palmer asked Mr. Anderson how he would describe the city to a prospective manager. Mr. Anderson said JBS would spend the first week developing the description of the city. He added that the most important thing a person looks for in a senior position is the challenge and the ability to contribute to the future of the community.

Mrs. Palmer asked if the firm would actively recruit city managers and assistant city managers that are primarily working. Mr. Anderson said the primary candidates are those who are working and not looking; they tend to be the best candidates.

In response to Mrs. Palmer, Mr. Anderson expanded on their data base, referral list, the screening process, telephone interview and background investigation. Mrs. Palmer

CITY OF MELBOURNE, FLORIDA
MINUTES –SPECIAL MEETING BEFORE CITY COUNCIL
OCTOBER 24, 2002

asked Mr. Anderson what he believes would entice a city manager to leave. Mr. Anderson replied “the challenge.”

Mrs. Poole asked what he would suggest as the salary range. Mr. Anderson said his response is based on no experience; he is not engaged in recruiting in this sector. He said he believes \$80,000 - \$100,000. Mr. Anderson explained that the local team, familiar with public sector recruiting, was not available to attend this meeting.

Mayor Buckley pointed out that several of the letters of recommendation for JBS International reference DHR International. Mr. Anderson said DHR may be one of Mr. Jackson’s affiliates. (Philip Jackson, President, JBS International).

That concluded Mr. Anderson’s presentation.

THE MERCER GROUP

Tom Freijo, Senior Vice President, The Mercer Group, stated that he is in charge of the Florida operation. He explained that early in the process, they would talk to the elected officials one on one to determine what type of manager the city is seeking. Based on interviews and the data collected, advertisement materials would be compiled. Resumes will be screened and the list narrowed to 12 – 18. At that point, extensive background interviews are conducted and references are checked.

Continuing, he explained that Mercer would work with the city to develop the interview process. He recommended Council have one on one interviews, a social function and then the public process.

Mr. Freijo elaborated on Mercer’s public sector search experience and said that he would personally be conducting the search for Melbourne. He added that they have a high level of client contact and a time proven process. He referenced his handout, which indicates a 60-day process.

Mr. Freijo concluded by asking Council to remember Mercer’s vast experience in city manager searches in the state, the fact that they know Florida, and that the firm is ready to begin now. If selected, he could meet with Mr. Hill on Friday and start meeting with Council Monday.

Mr. Contreras asked how many city managers he has been involved in hiring. Mr. Freijo said approximately 10. One left in less than a year and the reason is complex. He added that if the manager leaves for any reason during the first two years, they would conduct another search for expenses only. In further response to Mr. Contreras, Mr. Freijo said their placements stay on average 7 ½ years.

Mr. Contreras asked how a candidate’s mental stability is evaluated. Mr. Freijo replied through interviews and extensive reference checks. Mr. Contreras asked the salary target for the new city manager in Melbourne. Mr. Freijo said that is a question he asks

CITY OF MELBOURNE, FLORIDA
MINUTES –SPECIAL MEETING BEFORE CITY COUNCIL
OCTOBER 24, 2002

the client; however, in reviewing salaries in other communities in this area, the city should pay not less than \$125,000 if it wants to be competitive. Mr. Freijo added that once the range is established, he does not believe he will have difficulties finding someone within that range.

Mr. Contreras asked Mr. Freijo how he would determine the characteristics of the city. Mr. Freijo said he would meet with each member individually to get his/her perspective of the city, its vision, issues and characteristics. He would ask to meet with the department heads and conduct a tour of the community. He would collect information from our web site, Chamber of Commerce, Economic Development Commission, etc. Council would have an opportunity to review the recruitment brochure and that is what will be used in the advertisement campaign.

Mr. Contreras asked Mr. Freijo if he views Melbourne as a retirement community. Mr. Freijo said he does not know enough about the demographics of the community to answer that. He added that from what he has read, he would guess that it is not.

Mr. Palmer listed five traits and asked Mr. Freijo to indicate which is the most important. Mr. Freijo said if forced to choose, he would choose honesty.

Mr. Palmer asked Mr. Freijo to describe the unique qualities of the city that he would use to entice a new manager. Mr. Freijo said he would ask each Council Member about the issues being faced, the vision, financial situation, whether the city is built out, redevelopment, whether the city has Community Redevelopment Agencies, the demographics and housing.

Continuing, Mr. Freijo said he would ask each member to point out the advantages of living in Melbourne. He added that the search is similar to a marriage. During the interviews, prospective candidates will be determining whether they want to come to Melbourne.

Mrs. Poole recommended that prospective candidates talk to our current City Manager and look at the time he has served the city.

A brief discussion followed regarding how the five or six candidates are notified about the final selection. Mrs. Hand disagreed that Mayor and Council should make the notification. She recommended that the search firm make contact. Mr. Freijo said if that is problematic, Mercer would be happy to handle the notification.

In response to Mrs. Palmer, Mr. Freijo described a typical recruitment brochure. Mrs. Palmer asked Mr. Freijo if he would seek out city managers that are currently working. Mr. Freijo replied yes and stressed that they do recruiting – not just advertising.

That concluded Mr. Freijo's presentation.

CITY OF MELBOURNE, FLORIDA
MINUTES –SPECIAL MEETING BEFORE CITY COUNCIL
OCTOBER 24, 2002

Mrs. Poole asked Council, before selecting and contracting with a firm, to meet with our Assistant City Manager for an interview since she (Amy Elliott) has expressed an interest in applying. She stressed that Council needs to explore every avenue. We have a current City Manager that will be difficult to replace and the new manager must be able to step in and continue the progress.

Mayor Buckley said he feels Ms. Elliott is an appropriate candidate who will be on the final list. He commented that the purpose of this meeting is to select a consultant.

Mrs. Palmer said she previously brought this issue up. If the majority of Council has already decided to hire Ms. Elliott, Ms. Palmer recommended that we not go through this process. She added that Ms. Elliott would have an opportunity to go through the same process as any other candidate.

Following a brief discussion, Mayor Buckley recommended Council rank the four firms that made an appearance at this meeting 1-10 with 10 being the highest score. Each Council Member announced their scores as follows:

FIRM	CONTRERAS	E. PALMER	POOLE	WALKER	C. PALMER	HAND	BUCKLEY
Colin Baenziger & Associates	5	9	0	10	7	9	9
David K. Wasson Management Consulting	8	4	0	7	10	8	7
JBS International	3	6	0	7	7	7	8
The Mercer Group	10	8	10	8	9	10	8

Mr. Hill announced the total score for each firm as follows:

Baenziger: 49
David Wasson: 44
JBS 38
Mercer 63

Mayor Buckley announced that Council selected The Mercer Group. He thanked the consultants for submitting a proposal and attending the meeting.

Recessed: 10:09 p.m.
Reconvened: 10:23 p.m.

Mr. Hill said that a draft contract has been provided to Mr. Freijo. Mr. Freijo will meet with the City Manager and City Attorney tomorrow to finalize the agreement. Mr. Hill recommended that Council review the schedule with Mr. Freijo.

CITY OF MELBOURNE, FLORIDA
MINUTES –SPECIAL MEETING BEFORE CITY COUNCIL
OCTOBER 24, 2002

Mr. Freijo said he needs to meet with each Council Member individually. He recommended that the meetings be scheduled for Monday. He added that once the individual meetings are complete, he will prepare a recruitment brochure. When Council reviews the brochure (at a special meeting), the schedule can be finalized.

Mayor Buckley said he has a feeling the process will finish in January. He noted that Council does not meet the second meeting in December and he assumes that some members have made holiday travel plans.

Following a brief discussion, Council decided to conduct a special meeting on Wednesday, November 6, 7:30 p.m., to review the recruitment brochure and finalize the schedule.

At this point, several of the members indicated to Mr. Freijo the time they would be available on Monday for the one on one meeting.

Discussion followed regarding the schedule. Mr. Freijo recommended that the contract indicate that the consultant will complete each activity in a final schedule to be approved by Council.

Attorney Gougelman asked Council to authorize the City Manager to sign the agreement with The Mercer Group once the contract has been finalized.

Moved by Hand/Contreras to authorize the City Manager to sign the final agreement. Motion carried unanimously.

4. ADJOURNMENT

Moved by Hand/E. Palmer to adjourn. Motion carried unanimously.

The meeting adjourned at 10:40 p.m.

City Clerk – 11/6/2002

Approved by City Council: November 12, 2002