

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
NOVEMBER 6, 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. Pledge of Allegiance.
2. Roll call.

Present:	John A. Buckley	Mayor
	Loretta Isenberg-Hand	Vice Mayor, District 6
	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

Absent:	Richard Contreras	Council Member, District 1 (scheduled conflict)
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3. COUNCIL ACTION RE: Direction to The Mercer Group, Inc. regarding the City Manager search process, including search schedule, salary range, recruitment brochure, etc.

For information: Tom Freijo, Senior Vice President, The Mercer Group, designed the recruitment brochure for the City Manager search process. A draft was provided to Council on November 4.

Mayor Buckley asked if any members had comments regarding the brochure.

Mr. Palmer said he would like to discuss the salary range. He asked if it was prudent to start with the high range.

Mayor Buckley replied that he believes the range listed is high, especially for any candidates from North Florida. He added that he would like to see the low range start around \$100,000. He explained that the high range would not change, which would allow the full range if someone comes in that should be paid higher.

Mrs. Palmer recalled that the professional firms that gave presentations to Council recommended a similar salary range for the type of person we are looking for and the size of our city. She suggested that the recommended range remain unchanged so we can attract a quality person and expedite the process. However, she said she would accept what the majority of Council wishes to do.

Mrs. Hand said that in her meeting with Mr. Freijo, she recommended \$120,000 - \$130,000. She questioned if we would still attract someone good by lowering the range.

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
NOVEMBER 6, 2002

Mayor Buckley clarified that he is not recommending a change in the high range (\$135,000). He is only recommending that the low range drop to \$100,000.

Mr. Hill referenced the survey distributed earlier in the year, which indicates that the pay is in excess of \$100,000 for smaller communities like Vero Beach, Ormond Beach, and Port Orange. He stated that there are small communities paying close to what Melbourne is paying.

Mrs. Walker said Council should be able to start with the lower figure and then negotiate.

Mr. Palmer recommended the low range be adjusted to \$110,000 instead of \$100,000. The Mayor confirmed for Mr. Palmer that Mr. Hill's current salary is \$112,000. Mrs. Hand commented that Mr. Hill's salary is too low. Mrs. Palmer said that we have already lost a good City Manager and now Melbourne has to attract someone and be competitive to keep that person.

Mrs. Poole said that Mr. Hill is not leaving because of salary. Mrs. Palmer said salary is a consideration.

Mr. Freijo said his first response to Council when asked about salary (during the October 24 special meeting) was a minimum of \$120,000. He added that his initial statement has been reinforced by the individual conversations he has had with Council. Each member has indicated that he/she would like a manager similar to Henry Hill. In order to attract a person like Henry Hill, the salary should not be less than \$120,000 and will probably be considerably more.

Continuing, Mr. Freijo explained that someone currently working would consider moving if it were an upward career progression. Usually a person won't move and uproot their family for a 2% increase. They are usually looking for around a 15 – 20% increase. He said that his advice is to leave the low range where it is; however, if Council insists on dropping it, he noted that it will discourage some from applying. Leaving the range at \$120,000 - \$135,000 will make the recruitment process work better and that is his recommendation.

Mrs. Poole said there are people who do not believe that money is all-important. She clarified that she told Mr. Freijo during her individual meeting that she would not consider anything over \$120,000. She added that if you tell people the range is up to \$135,000 they will want the top of the range; there are plenty of people who would want to come here because it is a great place to live; and people will appreciate the situation we are in with our budget.

Mayor Buckley asked the consensus of Council. Mr. Palmer indicated \$110,000, Mrs. Poole said she will go with the majority, Mrs. Walker said \$110,000, Mrs. Palmer said \$110,000, Mrs. Hand said \$120,000 and Mayor Buckley said \$110,000. The Mayor

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
NOVEMBER 6, 2002

referenced an e-mail from Mr. Contreras, which indicates that he would like the range to be \$120,000 - \$135,000.

Mrs. Palmer asked Mr. Freijo to elaborate on the “generous fringe benefits.” Mr. Freijo replied that a high quality manager will have certain expectations for fringe benefits. Some of those include the expectation for a car or car allowance; full paid medical insurance; travel to state, national and professional meetings; deferred compensation package that varies from 8% - 15% of salary; and relocation assistance. He added that Council needs to be thinking about benefits so that we don’t run into a snag once the new manager is identified. He noted that he can change the word “generous” to “reasonable.”

Mrs. Palmer suggested that the adjective be deleted so that the brochure simply references “fringe benefits.” Mrs. Poole objected to a manager attending every state and national convention. She recommended that the manager have the choice of making a request to Council for travel.

Mr. Hill suggested that the new manager be treated as all other employees with regard to insurance, vacation and sick. He noted that this is how it is outlined in his current contract with the city. He recommended Council be clear on the vehicle issue because Council has struggled with this in the past. Regarding deferred compensation, he explained that Council may want to offer participation in the local retirement plan plus deferred compensation through ICMA. A new manager coming in from the outside may not necessarily be willing to be subject to the local retirement plan.

Mrs. Poole said the contract should indicate that with regard to raises, the City Manager would receive what other employees receive. She clarified that there should be some understanding that a person does not automatically receive a raise in salary each year. Mr. Freijo said it would be common to have contract language that addresses increases; it would not be strange to have the increase tied to the increases of other employees. Mrs. Walker added that the contract needs to specify that evaluations will be done on a regular basis.

Mayor Buckley said the brochure should indicate that the city has three unions. Mrs. Poole agreed and said that a manager should have experience negotiating with unions. By consensus, Council agreed to include “experience negotiating with unions” in the recruitment brochure.

Discussion followed regarding whether a new manager should be a credentialed manager through ICMA. Mr. Freijo said that this should be listed as desirable but not as a requirement. At this point, there are not a large number of managers that are credentialed; however, five years from now that may become a basic requirement. Council agreed with Mr. Freijo’s recommendation.

Mrs. Palmer referenced the “city government” portion of the brochure and pointed out that the two-year term limit should be corrected to two term limit.

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
NOVEMBER 6, 2002

That concluded Council's review of the brochure.

Mayor Buckley said that Council needs to discuss the search schedule. He added that Mrs. Poole has a recommendation. Mrs. Poole referenced the memorandum from her (asking Council to consider utilizing the original search schedule submitted by Mercer). This would allow for the interviews and selection to be made by December 20. Mrs. Poole stressed that it is important to have the search completed before Mr. Hill leaves.

Mayor Buckley said he believes Council would be pressing it by going with this schedule; people will be traveling over the holidays and one Council Member is not able to make the meetings during that week (December 19-20). Mr. Palmer agreed and said he does not know if we can do this in such a short timeframe. Mrs. Palmer said Mr. Freijo felt confident that he could have candidates here.

Mayor Buckley repeated his concerns with the holiday schedule and noted that candidates traveling by air may have difficulty with that schedule. Mrs. Poole said most of the candidates will drive if they are from Florida. Mrs. Hand stated that she supports the accelerated schedule. Mrs. Palmer said the dates are fine with her. She agreed with having Mr. Hill's input; however, if several members are not able to be present, she would be willing to change the schedule.

Mr. Freijo explained that the original schedule he provided indicated that Council would meet on December 20 to make a final decision. At the October 24 special meeting, Council indicated that it did not wish to conduct those activities during December; therefore, tonight's meeting date was changed from October 31. In essence, a week has been lost. Mrs. Poole said a week has not been lost – only four working days have been lost.

Mr. Freijo said if it is Council's desire to finish the process in December, some of the steps will need to be modified. Council will need to provide him latitude in bringing in the finalists; he would need to compress some of the intermediate steps.

Mrs. Palmer withdrew her approval for accelerating the process.

Mr. Freijo pointed out that if someone is hired on December 20, it would take about a month for that person to come on board. Mrs. Poole commented that she expected that; however, she would like for the new person to meet with Mr. Hill while he is still here. She added that a lot of the intermediate steps are not necessary.

Council Members Walker and E. Palmer and Vice Mayor Hand stated that the process should be accelerated.

Mr. Freijo said he will re-work the schedule and forward it to the City Manager. Mrs. Palmer asked what intermediate steps will need to be eliminated. Mr. Freijo said Council would need to allow him to select the semi-finalists using his professional judgment. He

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
NOVEMBER 6, 2002

would do the recruitment, screening, background checks, etc. and bring four – six finalists to Council.

Mr. Freijo stressed that it is imperative for all members to be present December 19 and 20.

Following a brief discussion, Council decided not to utilize a citizens committee.

Mr. Hill stated that Mr. Contreras has indicated that he would not be available December 19 and 20 for meetings. Mrs. Palmer said that Council should have a backup date. Mrs. Poole said meetings have been conducted before without a full Council. Mayor Buckley said that we should do everything we can to make sure everyone is able to attend. Mrs. Walker agreed; however, she said that members need to prioritize.

Mr. Hill confirmed for Mr. Palmer that he (Mr. Hill) would be available to meet with the finalists. In response to Mrs. Walker, Mr. Hill said that December 27 would be the last day that he is physically at City Hall.

Mr. Freijo asked for clarification. He said that his understanding is that Council would prefer someone with Florida experience. Mayor Buckley said that he is not pushing for the candidates to be exclusively from Florida. Mr. Freijo said that there are a lot of managers living in other states with Florida experience. He asked if Council would preclude that type of applicant. Mrs. Poole said that it would depend on the amount of Florida experience. Mayor Buckley asked Mr. Freijo to make that judgment during the screening process.

That concluded Council's discussion on the agenda item.

Mr. Hill announced that the Planning and Economic Development Department was selected as the recipient of the American Planning Association "Outstanding Planning Award for a Special Community Initiative" for its efforts in the rehabilitation of the Old Eau Gallie section of the city. Mr. Hill added that this is a prestigious award.

Mr. Hill reported that Florida Recyclers has contacted a couple of Council Members to discuss a possible settlement. Following a brief discussion, he said that Assistant City Attorney Suzanne Novak would contact each member individually.

Mayor Buckley said that a farewell luncheon is being planned for Mr. Hill at the Melbourne Auditorium on December 13 at 11:30 a.m. He noted that the Department Heads have asked if Council would be willing to subsidize the lunch. The quote from the caterer is \$7.45 per person. By consensus, Council agreed with the city subsidizing the lunch so that each person would pay only \$5.00.

4. ADJOURNMENT

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

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
NOVEMBER 6, 2002

The meeting adjourned at 8:35 p.m.

City Clerk – 11/13/2002

Approved by Council: 11/26/2002