

MINUTES

Eugene City Council
McNutt Room—City Hall

April 15, 1996
5:30 p.m.

COUNCILORS PRESENT: Tim Laue, Laurie Swanson Gribkov, Shawn Boles, Kevin Hornbuckle, Barbara Keller, Nancy Nathanson, Jim Torrey

COUNCILORS ABSENT: Pat Farr

Her Honor Mayor Ruth Bascom called the special meeting of the Eugene City Council to order at 5:45 p.m.

I. ADOPTION OF AGENDA AND INTERVIEW PROCESS

Ms. Swanson Gribkov moved, seconded by Mr. Boles, to adopt the agenda and interview process as specified on Attachment D of the agenda packet. The motion carried unanimously, 5:0, with Mr. Laue and Mr. Hornbuckle absent.

Mr. Boles announced that the Planning Commission had developed a proposal for a growth management cost of services study. Mr. Boles distributed copies of the proposal for councilors' review prior to Wednesday's meeting. He also announced that an open house had been scheduled for June 18.

Mr. Laue joined the meeting at 5:50 p.m.

I. CITY MANAGER EXECUTIVE RECRUITER INTERVIEWS

Administrative Services Director Warren Wong presented the staff report. He told the council that the three finalists being interviewed had been sent information about the City of Eugene, including the city charter, the budget, and councilor bios from the web page. Mr. Wong reminded the council that any generic questions not specific to a particular recruiter would need to be asked of all finalists. He said that any notes taken by councilors were public record and would need to be collected following the interviews.

Mr. Wong reviewed the time line for the recruitment, which could result in the new City Manager being on board as early as December 1996.

Mr. Boles suggested that one option would be not to hire any of the three firms, but to manage the process without a recruiter. Ms. Keller argued that that approach was not practical in light of the likelihood of an in-house candidate.

Mr. Wong then brought in the first finalist and introduced him as James Mercer from the Mercer Group.

Mayor Bascom asked the opening question: *Describe your firm's qualifications, experience and approach to recruitment for a City Manager.*

Councillor Hornbuckle joined the meeting at 6:05 p.m.

Mr. Mercer said he had 23 years experience in public sector recruitment. He outlined the recruitment process used by his firm, including: 1) information gathering, 2) a written profile with key criteria, 3) screening, background checks and references, including a matrix for semi-finalists, and 4) a detailed final report with recommendations. He said optional services would include setting up interviews, working with the City to negotiate a contract, and follow-up work. Mr. Mercer stressed the importance of gathering as much information as possible up-front. He said his firm had success recruiting for university communities of a similar size, stating that he would expect 200 or more applications for the position.

Mayor Bascom asked standard question #1: *From your perspective, what are some of the do's and don'ts of the recruitment and selection process? Specifically, address issues such as time frames, confidentiality, and contract negotiations.*

Mr. Mercer said he would like to maintain as much confidentiality as possible within open meeting law restrictions. He said candidates need to understand the restrictions and he prepares them for the possibility of their candidacy becoming public. Mr. Mercer said he works within a 60-120-day time frame, with another couple of weeks for contract negotiation.

Mayor Bascom asked standard question #2: *Can you tell us about an experience that you have had that did not work well? Why didn't it work well? How would you handle it differently now?*

Mr. Mercer described an experience he had had early in his recruiting career in which a City set up an elaborate process to try to protect confidentiality. He said he learned that these processes do not work and that candidates need to be aware the confidentiality could be breached at some point in the process.

Mayor Bascom then asked for questions from the council.

Ms. Keller asked: *How much time would you require of councillors in the recruitment process?*

Mr. Mercer estimated one hour initially with each councillor, an update meeting of about 15-20 minutes about halfway through the search, 2-3 hours to select semi-finalists, and a 2-day process for finalists, including tours and interviews.

Ms. Keller asked: *How would you deal with in-house versus external candidates?*

Mr. Mercer said he generally recommends the same process, although the councilor could decide to pull in-house candidates for a separate process. In response to a specific question from Mr. Torrey, Mr. Mercer said the matrix system would probably reveal the identity of an in-house candidate.

Ms. Nathanson asked: *What kinds of positions and in what geographic areas would you expect to be recruiting?*

Mr. Mercer said his firm had access to several databases and contacts through several organizations. He said he had worked all over the country, although not as heavily in the northwest. Mr. Mercer said the advantage to not having worked extensively in the northwest was that his firm would not be "locked out" of any companies here.

Ms. Keller asked for more information about that; specifically, if Mr. Mercer's firm were selected, would he then be able to recruit from the City of Eugene. Mr. Mercer said he would offer four guarantees: 1) not to recruit the City Manager placed at the City, 2) if the person leaves the position within the first year, to redo the search for expenses only, 3) not to recruit any staff for two years following the recruitment, and 4) to keep working if the City was not satisfied with the candidates presented.

Mr. Torrey asked: *How would you include existing City management, employees, and employee representatives in your recruitment?*

Mr. Mercer said he would like to talk to those groups if the council was comfortable with it. He said the use of focus groups was helpful, specifically department heads, bargaining units, and cross sections of employees.

Mr. Boles asked: *How might the community participate in this recruitment?*

Mr. Mercer said he had found it was more helpful to involve community members in the beginning, rather than at the end of a recruitment. He cited examples of Worcester, Massachusetts, in which neighborhood groups were surveyed, and Evanston, Illinois, in which focus groups and community forums were used to solicit community input.

Ms. Swanson Gribkov asked: *Given the information provided to you about our city, what would you say are the three big issues facing us over the next five years?*

Mr. Mercer answered that it appeared that cost controls and balancing revenues with more demands on resources were the biggest issues to be faced. He observed that the budget document was one of the best he had seen, and noted that service delivery appeared to be doing well.

Mr. Laue asked: *From your review of our charter, how would you describe the roles of the City Manager, the City Council and the Mayor of Eugene?*

Mr. Mercer said Eugene appeared to have the traditional City Council/City Manager form of

government. The City Council is the policy-making body and the City Manager the CEO who makes all employment decisions and carried out the day-to-day operations of the City. The City Manager serves at the pleasure of the council, and carries out its policies.

Mr. Hornbuckle asked whether Mr. Mercer would have access to City Manager candidates who were not selected in other searches. Mr. Mercer replied that he would. Ms. Swanson Gribkov asked why Mr. Mercer had mentioned the unique qualities of a university community. Mr. Mercer said the citizens in university communities tend to be well-educated and involved. He said city management is more complex in such communities and they need a City Manager who recognizes that. Mr. Laue asked about the use of psychological evaluation. Mr. Mercer responded that this is often done in private sector recruitments but done seldom in the public sector. He said he would want to do as much as possible to provide a "mosaic" of the person before hiring. He said he could make recommendations regarding firms that conduct psychological evaluations if the council requested it.

Mr. Boles asked: *As councillors come and go, some of us have seen a natural coalescing of power with the City Manager role. Given this, what might be the consequence of offering a time-limited contract?*

Mr. Mercer said he did not know of anyone who had tried a time-limited contract, but he would be willing to look at it.

Ms. Nathanson asked: *What type of research could we expect to see and do you prepare it?*

Mr. Mercer responded that typically, a client would be given substantial information about the finalists, but that research such as newspaper articles could be included as well.

Mr. Torrey asked: *Do you have any private sector recruiting experience?*

Mr. Mercer answered that he had done only private sector recruiting for several years, and had done some recently as well.

In closing, Mr. Mercer thanked the council and staff and said he would like to work with them.

Mr. Wong then introduced Alex McIntyre from Norman Roberts & Associates.

Mayor Bascom asked the opening question: *Describe your firm's qualifications, experience and approach to recruitment for a City Manager.*

Mr. McIntyre described his firm as a small executive recruitment firm. He said Norm Roberts was very well-known. Mr. McIntyre told the council that he had been a municipal employee and his father had been a City Manager.

Mayor Bascom asked standard question #1: *From your perspective, what are some of the do's and don'ts of the recruitment and selection process? Specifically, address issues such as time frames, confidentiality, and contract negotiations.*

Mr. McIntyre said his firm was proud of its ability to maintain confidentiality up to the point of presentation to the council. He said the firm's time frame was 13 weeks to bring back candidates, with another two weeks to "close the deal." Mr. McIntyre said his firm would represent the council in contract negotiations as part of the contract.

Mayor Bascom asked standard question #2: *Can you tell us about an experience that you have had that did not work well? Why didn't it work well? How would you handle it differently now?*

Mr. McIntyre said he had learned from mistakes the importance of clarifying up-front. He said the worst thing he had done was to make assumptions.

Mayor Bascom then asked for questions from the council.

Ms. Keller asked: *How much time would you require of councilors in the recruitment process?*

Mr. McIntyre estimated one hour initially with each councilor, individual reviews of the profile, a progress meeting of about 15-20 minutes to present the top candidates, and a full day for interviews of 5-7 candidates. Mr. McIntyre said any follow-up work would be up to the council.

Ms. Keller asked: *How would you deal with in-house versus external candidates?*

Mr. McIntyre said he would forward any in-house candidates to the council at the progress meeting. The council would decide who to interview.

Ms. Nathanson asked: *What kinds of positions and in what geographic areas would you expect to be recruiting?*

Mr. McIntyre said his firm uses an in-house database, research staff, and a nationwide network of contacts. He cited a recent search for the City of Berkeley, which he said might be similar to the Eugene search.

Mr. Torrey asked: *How would you include existing City management, employees, and employee representatives in your recruitment?*

Mr. McIntyre said he would design a process that was comfortable for the council, including management teams, labor representatives, and employees to the extent the council wanted.

Mr. Boles asked: *How might the community participate in this recruitment?*

Mr. McIntyre cited the example of Tacoma, Washington, in which he hosted several meetings to ask the community for their input. He said he had spoken to community leaders, business leaders, and two meetings of the general public.

As a follow-up, Mr. Boles asked whether the council would review the profile as a whole, or only individually.

Mr. McIntyre said ratification by the whole council was not necessary, only buy-in on what the council is looking for. He said individual comments would be included on the draft profile.

Ms. Swanson Gribskov asked: *Given the information provided to you about our city, what would you say are the three big issues facing us over the next five years?*

Mr. McIntyre answered that it would be a challenge to find someone to step into the City Manager job after 15 years with one manager. He also said the fact that several councilors were leaving their positions could be an issue for candidates. He suggested that candidates be brought into the process following the primary.

Mr. Boles asked: *As councilors come and go, some of us have seen a natural coalescing of power with the City Manager role. Given this, what might be the consequence of offering a time-limited contract?*

Mr. McIntyre said he would be concerned about attracting candidates with a time-limited contract. He said it could be done, but might not attract the "best" candidates.

Mr. Laue asked: *From your review of our charter, how would you describe the roles of the City Manager, the City Council and the Mayor of Eugene?*

Mr. McIntyre responded that the charter was consistent with others he was familiar with. He said the Mayor was in effect, the ninth person on the council, a tie breaker, and had veto power. He said the job of the City Manager was to effect City Council policies.

Ms. Nathanson asked: *What type of research could we expect to see and do you prepare it?*

Mr. McIntyre responded that his goal was to get as much relevant information as possible and to "beat the press." He said this information would include functional references, press checks, research from a variety of sources, including public library, and educational, credit, criminal, and motor vehicle checks.

Ms. Swanson Gribskov expressed concern about who would carry the lead in the recruitment. Mr. McIntyre said his role in the firm was to conduct local government searches. However, he said he worked with Mr. Roberts as a team, with Mr. Roberts as the lead in all searches.

Mr. Torrey asked: *Do you have any private sector recruiting experience?*

Mr. McIntyre responded that his firm had had some success in recruiting from the private sector, citing Miami, Florida as an example. He added, however, that it was difficult, with issues such as compensation and fit becoming significant.

In summary, Mr. McIntyre said the challenge for the council was significant and he encouraged councilors to look for objectivity, thoroughness, and pro-active recruiting.

Mr. Wong then introduced David Donaldson from David M. Griffith & Associates.

Mayor Bascom asked the opening question: *Describe your firm's qualifications, experience and approach to recruitment for a City Manager.*

Mr. Donaldson said his firm had 30 offices, with seven recruiters and three support staff doing executive recruitment. He said the firm's approach included: 1) developing a profile by meeting first individually and then as a group with council, 2) aggressive recruitment using a clear plan, 3) screening with the council as an active partner, and 4) facilitation of the entire process. He then detailed each step of the process, highlighting the need for a good "fit" through a refined approach to understanding what the council wants. Mr. Donaldson said he had recruited over 35 city managers, with processes that adapt to fit the community.

Mayor Bascom asked standard question #2: *Can you tell us about an experience that you have had that did not work well? Why didn't it work well? How would you handle it differently now?*

Mr. Donaldson related an experience in which the top candidate had declined the position, and the next in line had been hired, only to be fired some time later. He said he had voiced his concerns about the candidate, but still felt that he had failed.

Mayor Bascom asked standard question #1: *From your perspective, what are some of the do's and don'ts of the recruitment and selection process? Specifically, address issues such as time frames, confidentiality, and contract negotiations.*

Mr. Donaldson said it was not possible to assure confidentiality in today's world. He said he prepares candidates for that, and hopes to control the timing. In terms of time frame, Mr. Donaldson said it was important to maintain momentum. He said he would set up a time line early on with the council. Mr. Donaldson said he could play the role of the middle person in contract negotiations. He said he would include questions about expectations as part of the initial one-on-one interviews with councilors.

Mayor Bascom then asked for questions from the council.

Ms. Keller asked: *How much time would you require of councilors in the recruitment process?*

Mr. Donaldson said initial meetings would span two days, followed by a group meeting. The second meeting would be a profile review, with a third meeting for candidate reviews and interviews. He estimated total time in the 3-5-day range.

Ms. Keller asked: *How would you deal with in-house versus external candidates?*

Mr. Donaldson said, at council's direction, he would evaluate in-house candidates along with others. He said experience had taught him that the process can validate an internal candidate. He said the only thing he would ask is that the council does not continue the process if the decision on who to hire has already been made.

Ms. Nathanson asked: *What kinds of positions and in what geographic areas would you expect to be recruiting?*

Mr. Donaldson said his resources would include a database, Who's Who, other recruiters in the firm, and other contacts. He said he would expect to generate a target list of 40-75 candidates. Mr. Donaldson said he had done recruitments nationwide, as well as having extensive experience in the northwest.

Mr. Torrey asked: *How would you include existing City management, employees, and employee representatives in your recruitment?*

Mr. Donaldson said the council, as the client, would need to tell him how much involvement it desired from these groups. He said the process differs from community to community, but can be helpful.

Mr. Boles asked: *How might the community participate in this recruitment?*

Mr. Donaldson said there were many ways to involve the community. He cited the example of Corvallis, where he had conducted a community meeting as well as one-on-one meetings between him and community members. He said he would identify ideas for discussion by council.

Ms. Swanson Gribskov asked: *Given the information provided to you about our city, what would you say are the three big issues facing us over the next five years?*

Mr. Donaldson responded: 1) funding, especially the impact of Measure 5, 2) affordable housing, and 3) transportation.

Mr. Laue asked: *From your review of our charter, how would you describe the roles of the City Manager, the City Council and the Mayor of Eugene?*

Mr. Donaldson said the role of the City Manager was a question he would ask each councilor in individual interviews. He said the line between policy and administration is sometimes heavy, and other times gray or fuzzy. Mr. Donaldson observed that the charter contained some unusual provisions, including the authority of the City Manager in purchasing, strong language about non-interference with the hiring of department heads, and the inability of the council to remove the City Manager within the first six months.

Ms. Swanson Gribskov asked whether Mr. Donaldson's experience and familiarity might make him too familiar with Eugene and whether he had concerns about being "locked out."

Mr. Donaldson said he had considered this issue and concluded that he could maintain objectivity. He said the ethic in the business was not to actively recruit your own placements.

Ms. Swanson Gribskov asked about Mr. Donaldson's experience with Lane County government. He responded that in their recruitment process, one commissioner was set on the in-house candidate, and that one candidate had turned down the position.

Mr. Torrey asked: *Do you have any private sector recruiting experience?*

Mr. Donaldson said recruiting from the private sector for public positions was rare, but does happen. Often, he said, private sector finalists are not a good fit and have too long a learning curve.

Ms. Nathanson asked: *What type of research could we expect to see and do you prepare it?*

Mr. Donaldson responded that reference checks begin with candidate interviews. He said candidates are asked for references and told they will be checked. Mr. Donaldson mentioned an on-line service for press checks as well as a variety of resources from the firm's 30 offices.

Ms. Boles asked: *As councilors come and go, some of us have seen a natural coalescing of power with the City Manager role. Given this, what might be the consequence of offering a time-limited contract?*

Mr. Donaldson said he did not know of an example of this being done. However, he said his father was a City Manager who believed that a manager lost effectiveness over time. Mr. Donaldson compared it to term limits and said there could be a healthy side to this idea.

Ms. Swanson Gribkov asked whether the optional services listed would carry additional costs.

Mr. Donaldson said it depended on how these services were defined. For example, Mr. Donaldson said setting up job field interviews for a candidate's spouse would not be charged, but higher levels of service could. He said options could be discussed when finalists were selected.

In summary, Mr. Donaldson listed the strengths of his firm as 1) Northwest experience, 2) national experience, 3) depth of the firm, 4) cooperative focus, 5) track record with similar cities, and 6) interest in university communities.

Mayor Bascom asked council for any debrief comments.

Mr. Boles said he would prefer not to discuss the candidates at this time, but wait for the Executive Managers' recommendation, and hold discussion until the April 29 meeting. Ms. Keller said the recommendation of the Executive Managers and a straw poll would be useful. Mr. Hornbuckle said he would be raising some of the issues discussed tonight in the interviews, including the comment that power accumulates with the City Manager, and issues with the city charter raised by recruiters. Mr. Torrey thanked the staff for their work. He said he intended to do some research and stressed the need for the council to decide together on the role of the City Manager prior to proceeding. Ms. Nathanson said she would be thinking about the "fit" of the firm, as well as how flexible they might be to adapt their process to the City.

Mr. Wong replied that councilors should feel free to check references. He also agreed that the compensation package and role issue were critical. Mr. Boles asked councilors to coordinate reference calls with staff so that there are no duplications. He asked councilors to be prepared to do a straw poll at Wednesday's meeting. The council agreed to wait until the Mayor's return to take

action on this item.

The meeting adjourned at 9:10 p.m.

Respectfully submitted,

Linda H. Norris

Warren G. Wong
City Recorder

(Recorded by Hannah Bradford)
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