

Date September 26, 2011

**APPROVING RECOMMENDATIONS FROM THE CITY COUNCIL EMPLOYEE
EVALUATION COMMITTEE**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DES MOINES, IOWA:

That the recommendation from the City Council Employee Evaluation Committee, concerning City Manager Richard Clark, City Attorney Jeff Lester, City Clerk Diane Rauh, and Human Rights Director Rudy Simms be approved.

Moved by _____ to adopt the recommendations
contained in the attached communication.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GRIESS				
HENSLEY				
MAHAFFEY				
MEYER				
MOORE				
TOTAL				
MOTION CARRIED			APPROVED	

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Mayor

City Clerk



Monday, September 26, 2011

City of Des Moines Residents, Mayor and Council Members
400 Robert Ray Drive
Des Moines, Iowa 50309

Dear Residents and Honorable Colleagues:

On behalf of the City Council Personnel Committee, I respectfully submit this letter to the Des Moines City Council, and request the report be *Received and Approved* at the September 26, 2011 City Council Meeting.

At the Council meeting on August 29, 2011, the City Council received a report from its Personnel Committee that a recommendation would be forthcoming regarding compensation adjustments for the four direct reports of the Des Moines City Council. At that time, the Council voted 7-0 receive the recommendation from the Personnel Committee.

As has been well documented, the City of Des Moines has been affected, like all American cities, by the economic downturn over the past four years. Our city faces uncertainty regarding revenues, we worked through the renewal of employee contracts, drastic reduction in the amount our largest property owners pay in city taxes, and we continue to manage our ongoing structural deficit. Despite all those issues working against us, the city remains strong and it is prepared to effectively address all future issues. This is a testament to the strong and capable leadership of our City Manager, his team, and the flexibility and creativity of our citizens. It is clear the organization, lead by the Manager, has the professional leadership of many, including our City Clerk and City Attorney.

In addressing these issues the past four years, the Council chose to lead by example. The salary of the Mayor and Council Members was reduced by a vote of the Council. The salaries of our direct reports were frozen in most years. In fact, today, the City Manager receives the same salary and fewer benefits than he did in January, 2008. This is striking considering the important role our leaders play in solidifying the local economy and in delivering critical services to the growing population who depends on such services. Further, it has been well documented, from Cedar Rapids to West Des Moines to the Des Moines Public School the increased demand for good, competent and ethical leaders. We are fortunate in Des Moines to have Mr. Clark, Ms. Rauh and Mr. Lester in their positions.

We proposed these changes because in December, 2010 the Council took action directing the following:

- o *Assign the City Council Personnel Committee the task of reviewing progress with Employee Bargaining Units, and other financial performance in the coming weeks and/or months. The Committee may return to the Council with a recommend compensation adjustment for the employees that are consistent with the compensation plan for MEA, SPM and any other Bargaining Units/ Employee Groups which have adjusted compensation levels.*
- o *The Committee strongly believes it is not right to continue to expect high results in tough times from our top leaders without some level of pay increases before a third year passes. But, we should wait until the budget goals are met through negotiations with and directives by the Manager.*

Therefore, for the first time since January, 2008, we are recommending an increase in the base salary for our direct-report employees.

City Manager Rick Clark, along with City Clerk Diane Rauh, City Attorney Jeff Lester each deserves the commendation of the Council and the citizens of Des Moines for their leadership, innovation and results. Des Moines continues to be an All American City.

Our Recommendation today includes the following. I am prepared to move, on behalf of the Council Personnel Committee:

- o **The City Clerk, City Attorney, City Manager and Human Rights Director have salary adjustments up to the rate SPM employees received in 2011.** Therefore, an increase in salary of 3.25% is recommended by the Committee for Mr. Clark, and Ms. Rauh. An increase of 2% is recommended for Mr. Simms. For Clark, Rauh and Simms, the changes are effective January 1, 2011. For Mr. Lester, the change in salary is consistent with the contract approved by the Council earlier in 2011. His salary will increase 3% effective October 4, 2011. All are eligible for a review in January, 2012.
- o **The Council continues to be concerned about the long term liability of employee Vacation Banks.** We have previously encouraged and authorized "cashing out" the time now, while the value is less than in the future. The Committee authorizes up to four (4) weeks of vacation buyout in December, 2011 or January 2012, and encourages our four direct reports to do so.
- o For a decade, the city has attempted to reduce the cost of operating our fleet of vehicles. One strategy has been to provide a car allowance rather than a city vehicle. **In 2010, the City increased the amount for those receiving a car allowance.** The City Council must do the same for our direct reports. Therefore, it is moved that the City Manager receive an increase in car allowance from \$3300 to \$4800, effective September, 2011.
- o **The City Personnel Committee will undertake a review of Mayor/Council's direct reports before the end of the first quarter in 2012.** This will include a process for the public and all Council Members to participate. Further, the Mayor recommended and the City Personnel Committee agrees that a Salary Comparison Study should occur so we can consider salary ranges.
- o The Committee acknowledges Mr. Clark's completion of five years as City Manager. Mr. Clark's contract included some provisions which expired after five years. These have been positive and successful years for the city and city operations. We are thrilled that Mr. Clark intends to continue as our City Manager. **Therefore, the Committee moves that Mr. Clark's retention payment be extended for three years (Feb 6, 2012, 2013, 2014) at a level of \$12,500 per year.**

- As part of the Personnel Committee's review of the City Manager, we discussed his goals for the next year. The attached goals were identified. You will note that **each goal has performance measures** that will be used to assess progress. These goals are very useful in providing focus and insuring progress is made in areas of critical importance to the City. The committee recommends that Council affirms these goals as part of this action.

I know I speak for Mr. Mahaffey and Mrs. Hensley when I say we are honored to serve on this committee. It is very important work and we take it seriously. The closed door sessions are engaging, constructive, and tough. Thank you for allowing us to serve the citizens of Des Moines in this capacity.

Sincerely,



Chris Coleman
on behalf of Christine Hensley, Bob Mahaffey and myself

2011 Major Goals for City Manager (CM)

- ✓ City Manager Reorganization Completed Including:
 - Deputy City Manager: Finance, HR, IT, Fleet, CMPT, Intergovernmental, Other
 - Assistant City Manager for Operations and Infrastructure: CD, Parks, PW, Engineering, Sustainability, Regional Planning, Other
 - Assistant City Manager for Economic Development, Communications, and Federal/State; Other

By not later than February 29, 2012, the CM will complete the CMO reorganization which will include re-alignment of reporting relationships in CMO with respect to the DCM and ACM, and designation of staff lead for Economic Development either as an ACM or as an Economic Development Administrator.

- ✓ Develop Two Year Budget in Light of Significant and Ongoing Budget Challenges

By not later than January 10, 2012, the CM will submit for Council's consideration a recommended plan for a 2 year balanced budget that addresses expected revenue reductions, maintains essential services to the maximum extent possible, and complies with principles of sound fiscal management. The formal budget document will be prepared and submitted for Council review and approval by not later than February 29, 2012.

- ✓ Legislative Strategy for 2012 to Address Property Tax/Revenues

Consistent with the overall direction of Mayor and Council, the CM will provide strategic leadership, support, and actions in the upcoming Legislative session necessary to achieve the best possible result in so far as State law changes specifically in the areas of property taxes, diversification of City revenues, State law mandates that result in unreasonable City expense, and changes that may improve our ability to provide cost effective services.

- ✓ Municipal Service Center - Master Plan and First Phase Implementation

By July 1, 2012, the CM will submit an acceptable master plan for a new municipal service center, undertake the necessary land acquisition activities for phase one, complete building and site plans for phase one, ensure design provides for reasonable protection against any environmental threats, and other actions necessary to initiate the construction process for phase one. In addition, in light of Council's desire to expedite phase two of the project, the CM will identify a funding strategy for phase two.

- ✓ Continue Development of City-Wide Strategy to Enhance, Integrate, and Communicate Sustainability Policies

*The CM will continue to move the City organization toward not just the low hanging fruit, but expand to systematic change in energy use, green infrastructure, flood management, and sustainable practices for new development. **Measures** will be in terms of program initiatives,*

and milestones established for each initiative. Progress will be somewhat dependent on funding outside of the general fund due to fiscal constraints.

- *Institutionalize the City's green infrastructure program by providing training opportunities for the Departments most active in construction decisions, Eng, Pwks, Parks and CD. General City Training funds will be used with the first sessions.*
 - *Continue participation in the STAR Beta program with existing staff and resources. This is facilitated by ICLEI and is dependent on their schedule. This project will develop greenhouse gas emissions strategy and baseline information, among many other measurement milestones.*
 - *Make more direct information available to the public by reference in City communications and the web site. EECBG funds were used this past year with Ankeny Urbandale and West Des Moines to create "ShareGoodEnergy" for citizens. This will be perfected and publicized this next year as one of the few interactive websites to share information.*
 - *Establish in each department a sustainable programs lead person responsible for bringing green solutions into each departments work.*
 - *Reduce energy use in City buildings and expanding to Fire and Library facilities.*
 - *Promote sustainability practices in ED considerations as appropriate to the project sponsor.*
 - *Establish a City-wide Sustainability Report that demonstrates City initiatives for the past 5 years.*
- ✓ **Realign our Approach to Economic Development to Maintain Strong Focus on ED in Light of TIF Reductions, and to Move Major Projects Forward Such as Kemin, Eastgate, Southridge, Riverpoint, Downtown, Neighborhood Commercial, and Other Projects that may be Identified in the Coming Year**

In light of the ongoing need to continue economic development in the downtown and our neighborhoods, and in light of overall economic conditions and declining tax and TIF revenues, the CM will re-evaluate and re-design our approach to economic development to deal with the new economic reality. This will be accomplished by July 1, 2012. Although we must continue to aggressively pursue economic development, our financial capacity to provide cash incentives has been lessened at least for the near term and we need to develop a new strategy for encouraging development, and we must be able to achieve success with key economic development projects.

- ✓ **Develop Strategy for Addressing Flood Threat Issues**

The CM will work with Federal officials (Corps of Engineers, etc.), Congressional delegation, and possibly State of Iowa, to identify funding strategies and procedural changes that will enable City of Des Moines to proceed as quickly as possible with improvements to our flood protection system necessary to protect against new "100 year" flood standard. If Federal or State assistance is not available, the City Manager will identify a flood protection program utilizing City resources to the maximum extent feasible.

✓ SE Connector Funding Strategy

The CM will insure that the City seeks funding for next phase of construction for SE Connector (SE 14th to SE 30th) to include additional MPO dollars, submittal of TIGER III application to USDOT, and submittal of RISE application to IDOT. Overall goal will be to obtain maximum amount of non-city dollars needed to complete project.

✓ Enhanced Communication Strategy

By not later than July 1, 2012, the CM will review city-wide procedures and policies for media communications with the objective of improving coordination, quality, and timeliness of press releases and other forms of media communications. A key objective of our enhanced communication strategy will be improved emphasis on the City's strengths and accomplishments. In addition, the CM will maximize use of various social media to enhance the City's ability to communicate with and serve the public to include implementation of a City facebook page, development of a plan for expanded use of internet to obtain permits or licenses, etc. In addition, the City newsletter will be continued but with increased emphasis on use of appropriate advertising revenue to defray cost.

✓ Office Remodels in City Hall

As was envisioned in the adopted budget, the CM will insure that the City Clerk will be relocated to the first floor of City Hall in order to manage the action center and improve customer service, by July 1, 2012. This will precipitate other moves within City Hall to accommodate this change such as PIO to second floor. To the extent possible, historic features of City Hall will be incorporated into remodeling plans, particularly in the first floor reception area.

✓ Employee Wellness

By July 1, 2012, the CM will insure that the City develops an effective Wellness program through partnering with other public/private organizations, use of employee teams, and review of best practices. The effort will be designed to improve employee wellness that will result in lower injury rates, reduced health insurance claims, reduced sick leave use, and improved moral.