



City of Palm Coast

City Hall
160 Lake Avenue
Palm Coast, FL 32164
www.palmcoastgov.com

Meeting Minutes City Council Workshop

Mayor Milissa Holland
Vice Mayor Steven Nobile
Council Member Robert G. Cuff
Council Member Nick Klufas
Council Member Heidi Shipley

Thursday, August 3, 2017

9:00 AM

City Hall Community Wing

SPECIAL WORKSHOP MEETING

City Staff

Jim Landon, City Manager

William Reischmann, City Attorney

Virginia A. Smith, City Clerk

>Public Participation shall be in accordance with Section 286.0114 Florida Statutes.

>Other matters of concern may be discussed as determined by City Council.

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A. Call to Order

Mayor Holland called the meeting to order at 9:00 a.m.

B. Pledge of Allegiance to the Flag

C. Roll Call

City Clerk Virginia Smith called the roll.

Present: 5 - Mayor Holland, Vice Mayor Nobile, Council Member Cuff, Council Member Klufas, and Council Member Shipley

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DISCUSSION BY CITY COUNCIL REGARDING THE CITY MANAGER POSITION

Council had a discussion on the City Manager's position.

CM Klufas presented his opinion first, followed by VM Nobile, followed by CM Cuff, and then finished off by Mayor Holland.

CM Shipley arrived at 9:20 a.m.

CM Shipley presented her opinion.

Mayor Holland-What is the timeframe for your retirement? Ans: Mr. Landon provided an overview to his retirement plans.

Council discussion continued.

Timeframe discussion

CM Klufas-12 to 18 months.

VM Nobile-Start it now? Ans: CM Klufas-Start gathering an RFP now.

VM Nobile-Start in a year from now? Doesn't want to put a timeframe on it, let's leave ourselves a safe cushion of 12 months.

CM Shipley-Get a company to help us with the search nationwide and start right away. Start the search-sooner is better.

CM Cuff-My most optimistic estimate is 12 months. Get an RFP ready to go early next year. Flexible with timeline. I do not think what is happening today will make us rush out and take action. I am flexible with that. Give us enough time to make sure we have what we want for the search. Suggested getting through the budget cycle, put funds in the budget for a search, then start the RFP.

VM Nobile-If I were, again I will take myself back into my role outside of the Council and I am sitting down, the first thing at this level, what we have here is the start of a negotiation, so Mr. Landon has a date in his head. I am thinking that is not my date, so I got a date today which he is saying is 2019, so what we need to do, ideally, in the open, we start negotiating. One of the goals that I would like to get to is to get out of this without the severance package. He would like to retire from this position, so I say okay. Really we are both good except for the date. I am willing to negotiate the date. I am willing to bring the date that he has in mind forward and move my date from today up and meet on a date where we can have a severance that is Mr. Landon retiring and us not having output. Again, it takes us through this process, we are talking 12 months anyway at minimum. If I come down to my date and say if you will retire in the fall of 2018 then we will guarantee that much time. I do not know if that is something...again this is how I am thinking. I am just thinking we have many goals here and many objectives here. It is not just to replace Mr. Landon, we do have the financial responsibility. If there is no way around the financial responsibility then we have to make a decision anyway. Personally, the fall of 2019 for me is not going to work but I am willing to negotiate. My goal is today, tomorrow, but I am willing to negotiate that goal if we can come to an agreement where it benefits Mr. Landon and it benefits the City of Palm Coast.

Mayor Holland-I am good with Bob's proposition to get through the budget process and to put the money in the budget as far as severance and for the search. I do not want to rush this process. I think Mr. Landon's timeframe is realistic.

VM Nobile-*The budget process is in a month. It is September next month, so we are done. That is starting the action in a month. I am ok with starting it. I do not want to rush the process but I want it started. I have not heard if anyone is ok to wait until September 2019.*

CM Shipley-*If we are going to wait until September that gives us until September to be figure out what we exactly want. I may want something different in a City Manager than what Nick would want in a City Manager. So, if we take that month and then when the budget comes and in September we put out the RFP, then it is just a waiting game to see who comes in and who is applying for it. I do not see the purpose to wait to put out an RFP if we know it is going to take maybe 18 months.*

Mayor Holland-*Normally if we decide on a search firm, a search firm will come in and do their due diligence and meet with us individually and really drill down to what we want to see in a City Manager. They develop a strategy around what that looks like and they put it out to the national universe. If we are putting out an RFP we have to follow the state guideline on how many days we do that and everything else. Those time frames are going to be important.*

VM Nobile-*The two decisions are we waiting until retirement or waiting to try to negotiate a retirement or are we going to just start now and terminate, whenever that comes? We are talking about the process. I still do not know what is happening with Mr. Landon at this moment right now, because that changes if we decide that is right now, then we have to get staff on creating an RFP and starting the search for the firm. That is just as important to search for the firm as it is for the search of the City Manager. Again, that is either going to happen next week or it's going to happen in a year from now or so.*

Mayor Holland-*Are you willing to negotiate your contract? Ans: Mr. Landon-No, it is not my interest whatsoever to negotiate out my contract.*

VM Nobile-*So, we make the decision that it is either fall or now.*

CM Klufas-*My vision is that we would start to formalize an RFP for the decision to initiate a City manager search. I suspect that is going to be a very important decision by all of us. I would not want to rush that decision. If we get an RFP out, there is the mandatory 90 days that we would have to be out there and then we are going to have to review the actual submissions. The decision that we make as a whole for the predecessor Jim Landon, it could be the most important decision that we as a whole will make as a City Council. The biggest decision that impact the entire City of Palm Coast. I would hate to rush to that decision. I think whether or not we wait for Mr. Landon to retire, I am not necessarily sure that we would need to that but we would want to keep the City operating in its current way until we were ready to say we have the predecessor to Mr. Landon. I would love to see a situation where we have a transition of knowledge, that transfer of knowledge is critically important publically or private. Being able to work with Mr. Landon as the new City Manager, to understand the wants of everyone, the wants that go along with Palm Coast-the utility..... Maybe Mr. Landon would consider being a consultant for a few months and at the end of this process when we find the correct candidate. I am ready to start with an RFP but I do not think we should put in any negatory time frames. I think when we find the right person, we find the right person. We are fortunate to say that we are not doing this for cause, we are doing this for what is best for the City. I think Mr. Landon's goal as well. I think his goal is to leave this City a better place than when he arrived.*

Attorney Reischmann provided clarification on the RFP process to hire a search firm. Mr. Landon.

Mr. Landon clarified his last statement-If you are going to start the search, one of the steps that you have to have is either to have it tie into my retirement or if you want me to stay, which is what I am willing to do until the new City Manager comes in but prior to me retiring, we will have to have a termination agreement between City Council and the City Manager. I can tell you from experience if you start this process and we do not have that termination agreement, you will not get anyone to apply. There is a code of ethics that they are not going to come in here that as soon as I get here he has to leave, so there is that step. With that basically would be is timing as to when my last day and if I were to, Mr. Kelton did that where he was available for consultation and that was all tied into an exit agreement. That agreement for me would basically give me a date and also give your search company a search date as to when you would need to have your City Manager on board. That is a step that you have to have in this process to actually have a termination agreement. Once again that could be next year, whenever you want to do that. I am very willing to talk about that, but it would be a termination. I want to make that very clear.

CM Shipley-So, Mr. Kelton had a termination date before... Ans: Mr. Landon-He retired. He had a retirement date. That is the other scenario, the City Manager picks his retirement date, works for the City Council on the process to help find the replacement. That is how it worked with Dick Kelton and myself or the other option is to terminate me at the next business meeting or we can develop a termination agreement that establishes a date that I am no longer here via the termination agreement or clause of my contract. I am willing to do that too, then you have that transition. I just wanted to clarify that I am very willing to work with City Council on that type of agreement.

Mayor Holland-What is the purchasing policy of an RFP hitting the street? Ans: Mr. Landon-Typically something like this is out there for 30 days; it is a very competitive business. There is a handful of search firms that specialize in municipal business, particularly City Managers and can put together the proposal. Council would be the selection committee and invite them in to discuss their process and then you would contract with them. They would then do a community profile, I get one of these almost every week. They put together a community profile, what the challenges are, what City Council is looking for and use that to go out and recruit nationally. Then they compile a long list that feels it meets the profile of what you are looking for and they would start working with City Council to narrow down to a short list for interviews. Part of that is background checks, phone interviews with candidates they call and they give you a report to select from, it is a fairly lengthy process. But once again, it is important that we have a target date, so they know what they are heading toward and that the target date includes some kind of an agreement.

CM Klufas-Soup to nuts, the RFP for the selection team that we choose, that would be about 90 days? Ans: Mr. Landon-Yes, that is fair.

VM Nobile-What is your minimum date for retirement? Ans: Mr. Landon-July, August timeframe 2019.

Mayor Holland-Is anyone in favor of keeping Mr. Landon until his retirement date?

CM Cuff-Based on what we are discussing as far as time wise, I am not against doing that. I am just trying to back out the time and what that means to prudently start the

search process. I think it should work the way it did with Dick Kelton, so there is no termination agreement. I do not have a problem working backward from that timeframe to begin the search. No reason to rush the process especially if it provides a smooth transition.

Attorney Reischmann reminded Council there will be a discussion on Charter Review this coming week at the workshop.

CM Klufas-How would you feel if we back it out the other way where Mr. Landon wishes to retire in July 2019, we say ok we are going to pay him until July 2019, but we can start the RFP process for finding and selecting a new City Manager. The only downside I see to that is putting the pressure on us in that July 2019 is pending, we do not find the right candidate timely, timing is not something that we can necessarily control but...

Mayor Holland-But I think I want to first, if there is an objection to the 2019 because that is obviously changes the discussion on how we proceed. So, again, we can put the severance in the budget, we can put the cost of the search firm within the budget this year, which I think is the responsible thing to do and nothing is to say if we back out from the retirement date and save the tax dollars in the process but if there is somebody that falls out of the sky, there is nothing to say that we can't go through that process. That is what I am asking, first and foremost are you fine with the retirement date and backing out and starting the first of the year with an RFP?

CM Klufas-That is an option that I would not necessarily be against if the rest of the Council is in consensus. The only thing that I would be worried about would be the opportunity that we have not at least started the selection process if somebody were to become available in our timeframe. The severance package is somewhere in the neighborhood of \$225K-\$250K, so that is something that we need to keep in mind.

VM Nobile-What are the terms of a contract for search firms? Ans: Mayor Holland-It really is the scope of work. What we dictate is what we are looking for in a City Manager and they go find them.

VM Nobile-Not in favor of back out from retirement date.

CM Shipley-Would like to start the process now if it is going to take that long. If we need to terminate because we find that golden egg, then we terminate and the new person starts.

VM Nobile-If we did this, we would need a retirement date contract.

Mayor Holland-I am fine with the retirement date and starting in January putting out an RFP to start the process.

CM Klufas-How heavily involved would we be in selecting the search committee? Would that be an intensive process to get a search firm because we have a lot coming up? Ans: Mayor Holland-Quite frankly, I would definitely want to be part of the process to get a good qualified search firm. I think our input is necessary. I know who I would not recommend from going through the Commissions search.

CM Klufas-Will we have additional meetings on top of what we have now?

Attorney Reischmann-Provided an explanation of the RFP process and public

meetings.

CM Klufas-Do we have an RFP ready to hit the streets in January?

Mayor Holland-We will have to set up meetings outside of our regular meetings and we will need to ask Virginia to work with our schedules to set them up.

VM Nobile suggested we do the process similar to the SAP process where we meet with an individual to determine our needs and then bring it all together.

Mayor Holland-Majority of the Council is looking at starting in January for the RFP to hit the streets with the process of starting the individual meetings prior to that, we can start that process.

Mr. Landon clarified a scope of services. Suggested a team of generally your City Attorney to be involved. Beau is in charge of our procurement process, so he would be a good one to actually put the RFP out and Virginia being the City Clerk. So, have the three of them start drafting the RFP, meeting with you all individually and then as a group with the idea that the RFP is ready to go out on the street or be approved by you at your January meeting.

Mayor Holland-I think we (Council) would want to act as the scoring entity that scores and rates the firm that we are going to choose. It is like what we are doing with our lobbying firm.

VM Nobile-A little issue with the perception of this. A little iffy on all those that Mr. Landon has suggested as they work for him. I would like an independent involved on this Team.

Attorney Reischmann clarified that he works for City Council and that he works with the City Manager to implement your policies and make sure they are legal.

Mayor Holland asked Virginia (the City Clerk) to organize dates to sit down individually with the Team.

Mayor Holland requested some RFP samples.

Received and filed.

J. ADJOURNMENT

The meeting was adjourned at 11:04 a.m.

Respectfully submitted,
Virginia Smith, City Clerk