

City of Scottsbluff, Nebraska

Monday, April 1, 2019

Regular Meeting

Item Reports4

Council to conduct the City Manager's annual evaluation.

Staff Contact: City Council

City Manager Performance Evaluation

City of _____

Evaluation period: _____ to _____

Governing Body Member's Name

Each member of the governing body should complete this evaluation form, sign it in the space below, and return it to _____. The deadline for submitting this performance evaluation is _____. Evaluations will be summarized and included on the agenda for discussion at the work session on _____.

Mayor's Signature

Date

Governing Body Member's Signature

Date Submitted

INSTRUCTIONS

This evaluation form contains ten categories of evaluation criteria. Each category contains a statement to describe a behavior standard in that category. For each statement, use the following scale to indicate your rating of the city manager's performance.

5 = Excellent (almost always exceeds the performance standard)

4 = Above average (generally exceeds the performance standard)

3 = Average (generally meets the performance standard)

2 = Below average (usually does not meet the performance standard)

1 = Poor (rarely meets the performance standard)

Any item left blank will be interpreted as a score of "3 = Average"

This evaluation form also contains a provision for entering narrative comments, including an opportunity to enter responses to specific questions and an opportunity to list any comments you believe appropriate and pertinent to the rating period. Please write legibly.

Leave all pages of this evaluation form attached. Initial each page. Sign and date the cover page. On the date space of the cover page, enter the date the evaluation form was submitted. All evaluations presented prior to the deadline identified on the cover page will be summarized into a performance evaluation to be presented by the governing body to the city manager as part of the agenda for the meeting indicated on the cover page.

PERFORMANCE CATEGORY SCORING

1. INDIVIDUAL CHARACTERISTICS

_____ Diligent and thorough in the discharge of duties, "self-starter"

_____ Exercises good judgment

_____ Displays enthusiasm, cooperation, and will to adapt

_____ Mental and physical stamina appropriate for the position

_____ Exhibits composure, appearance and attitude appropriate for executive position

Add the values from above and enter the subtotal _____ ÷ 5 = _____ score for this category

Page 2 of 7 Initials _____

2. PROFESSIONAL SKILLS AND STATUS

- _____ Maintains knowledge of current developments affecting the practice of local government management
- _____ Demonstrates a capacity for innovation and creativity
- _____ Anticipates and analyzes problems to develop effective approaches for solving them
- _____ Willing to try new ideas proposed by governing body members and/or staff
- _____ Sets a professional example by handling affairs of the public office in a fair and impartial manner

Add the values from above and enter the subtotal _____ $\div 5 =$ _____ score for this category

3. RELATIONS WITH ELECTED MEMBERS OF THE GOVERNING BODY

- _____ Carries out directives of the body as a whole as opposed to those of any one member or minority group
- _____ Sets meeting agendas that reflect the guidance of the governing body and avoids unnecessary involvement in administrative actions
- _____ Disseminates complete and accurate information equally to all members in a timely manner
- _____ Assists by facilitating decision making without usurping authority
- _____ Responds well to requests, advice, and constructive criticism

Add the values from above and enter the subtotal _____ $\div 5 =$ _____ score for this category

4. POLICY EXECUTION

- _____ Implements governing body actions in accordance with the intent of council
- _____ Supports the actions of the governing body after a decision has been reached, both inside and outside the organization
- _____ Understands, supports, and enforces local government's laws, policies, and ordinances
- _____ Reviews ordinance and policy procedures periodically to suggest improvements to their effectiveness
- _____ Offers workable alternatives to the governing body for changes in law or policy when an existing policy or ordinance is no longer practical

Add the values from above and enter the subtotal _____ $\div 5 =$ _____ score for this category

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5. REPORTING

- _____ Provides regular information and reports to the governing body concerning matters of importance to the local government, using the city charter as guide
- _____ Responds in a timely manner to requests from the governing body for special reports
- _____ Takes the initiative to provide information, advice, and recommendations to the governing body on matters that are non-routine and not administrative in nature
- _____ Reports produced by the manager are accurate, comprehensive, concise and written to their intended audience
- _____ Produces and handles reports in a way to convey the message that affairs of the organization are open to public scrutiny

Add the values from above and enter the subtotal _____ ÷ 5 = _____ score for this category

6. CITIZEN RELATIONS

- _____ Responsive to requests from citizens
- _____ Demonstrates a dedication to service to the community and its citizens
- _____ Maintains a nonpartisan approach in dealing with the news media
- _____ Meets with and listens to members of the community to discuss their concerns and strives to understand their interests
- _____ Gives an appropriate effort to maintain citizen satisfaction with city services

Add the values from above and enter the subtotal _____ ÷ 5 = _____ score for this category

7. STAFFING

- _____ Recruits and retains competent personnel for staff positions
- _____ Applies an appropriate level of supervision to improve any areas of substandard performance
- _____ Stays accurately informed and appropriately concerned about employee relations
- _____ Professionally manages the compensation and benefits plan
- _____ Promotes training and development opportunities for employees at all levels of the organization

Add the values from above and enter the subtotal _____ ÷ 5 = _____ score for this category

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8. SUPERVISION

- _____ Encourages heads of departments to make decisions within their jurisdictions with minimal city manager involvement, yet maintains general control of operations by providing the right amount of communication to the staff
- _____ Instills confidence and promotes initiative in subordinates through supportive rather than restrictive controls for their programs while still monitoring operations at the department level
- _____ Develops and maintains a friendly and informal relationship with the staff and work force in general, yet maintains the professional dignity of the city manager's office
- _____ Sustains or improves staff performance by evaluating the performance of staff members at least annually, setting goals and objectives for them, periodically assessing their progress, and providing appropriate feedback
- _____ Encourages teamwork, innovation, and effective problem-solving among the staff members

Add the values from above and enter the subtotal _____ ÷ 5 = _____ score for this category

9. FISCAL MANAGEMENT

- _____ Prepares a balanced budget to provide services at a level directed by council
- _____ Makes the best possible use of available funds, conscious of the need to operate the local government efficiently and effectively
- _____ Prepares a budget and budgetary recommendations in an intelligent and accessible format
- _____ Ensures actions and decisions reflect an appropriate level of responsibility for financial planning and accountability
- _____ Appropriately monitors and manages fiscal activities of the organization

Add the values from above and enter the subtotal _____ ÷ 5 = _____ score for this category

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10. COMMUNITY

- _____ Shares responsibility for addressing the difficult issues facing the city
- _____ Avoids unnecessary controversy
- _____ Cooperates with neighboring communities and the county
- _____ Helps the council address future needs and develop adequate plans to address long term trends
- _____ Cooperates with other regional, state and federal government agencies

Add the values from above and enter the subtotal _____ ÷ 5 = _____ score for this category

NARRATIVE EVALUATION

What would you identify as the manager's strength(s), expressed in terms of the principle results achieved during the rating period? _____

What performance area(s) would you identify as most critical for improvement? _____

What constructive suggestions or assistance can you offer the manager to enhance performance? _____

What other comments do you have for the manager; e.g., priorities, expectations, goals or objectives for the new rating period? _____

Page **7** of **7** **Initials** _____



May 7, 2018

RE: City Manager Goals - May 2018 to May 2019

Organizational Goals

- Financial
 - Maintain a balanced budget
 - Analyze and develop creative funding mechanisms to complete projects
 - Analyze and develop procurement policies (i.e. Equipment Depo/Central Yard, purchasing procedures, etc.)
- Economic Development
 - Incorporate Economic Development Funds into viable projects in the City and Region
 - Continually expand Business Retention & Expansion Program
 - Implement 5 year annexation plan
 - Develop and implement blight study(ies) when possible to incentivize development
 - Market Opportunity Zone in Southeast section of the City to incentivize development
- Infrastructure
 - Complete construction at/or under budget for 42nd Street
 - Complete phase II of the Platte Alliance Water Supply (PAWS) study
 - Develop action plan to re-approach LB357 for the additional half-cent sales tax
 - Develop list of project(s) to be completed
 - Develop and implement long term Capital Improvement Plan (CIP)
 - Solid Waste Transfer Station
 - Develop and construct 5 mega-watt (MW) Solar Project
 - Develop solid waste disposal option for the City
 - Partner with the 23 Club to revitalize project
- Public Safety
 - Strengthen relationship with Police & Fire Unions
 - Implement Lieutenant position in Fire Department
 - Complete CAD/RMS transfer to Zuercher
 - Hire Fire Chief
 - Analyze and develop plan to bring the City's ISO rating to a 2, currently at a 3
 - Develop and implement a regional public safety training facility
- Business Corridors
 - Establish funding mechanism(s) to move the Downtown Plaza project forward
 - Complete Downtown Bulb-outs including necessary landscaping and irrigation



- Establish outreach program in all business corridors
 - Establish funding mechanism to move East Overland revitalization forward
- City Operations
 - Streamline operations when available
 - Increase communication amongst Departments
 - Increase customer service
 - Succession Planning
 - Enhance morale throughout the organization
 - Regularly visit departments
- Community Relations
 - Participate in Community Events/Activities
 - Community Outreach

Professional Goals

- Obtain International City/County Management Association (ICMA) Credentialed Manager (CM) designation (ICMA-CM)
- Continually develop knowledge, skills and abilities to effectively manage the City
 - As identified in the annual evaluation of average scores of 3.5/5, focus on continually developing:
 - Relations with Elected Members of the Governing Body
 - Policy Execution
 - Reporting
 - Staffing
 - Identify, attend and report back to the Governing Body on what I am doing to improve in all areas

of Trust. The applicant is also offering the guaranty of Walther Farms, LLC which holds a net worth significantly greater than the amount owed to the City and exceeds the value of the Morrill County Real Estate. Council Member Shaver was concerned that we are taking what we have as a physical object and putting the guaranty of an LLC that can liquidate at any time in charge of it. City Attorney Hadenfeldt assured Council Member Shaver that this is a very large operation with several investors involved, as well as commitments from financial institutions that would not allow it to happen. It was put into motion by Council Member Gonzales, seconded by Council Member McCarthy “to approve a request from Walther Investments, LLC, to subordinate or release the Deed of Trust as collateral in exchange for Guaranty of Walther Farms, LLC.” “YEAS,” McCarthy, Gonzales, Colwell, and Meininger. “NAYS,” Shaver.

City Manager Johnson addressed the Council about an Economic Development agreement extension request from Flyover Brewery. Their construction is behind schedule due to a collapse of the building’s roof. Mayor Meininger made a motion, seconded by Council Member Colwell “to approve an LB840 Economic Development agreement Extension Request from Flyover Brewery.” “YEAS,” McCarthy, Gonzales, Colwell, Meininger, and Shaver. “NAYS,” None.

City Manager Johnson introduced Michael Moravec, representing Bluffs Physical Therapy, LLC. Mr. Moreavec applied for Economic Development assistance which includes a \$20,000.00 grant and \$30,000.00 loan. Council Member Shaver asked why this agreement includes both a grant and a loan. Mr. Moravec explained that due to the fact that he is developing jobs for the community he will recoup tax dollars for the City. Council Member Shaver then asked if the loan will be paid off using job credits; why have the grant? Mr. Johnson said they were being creative how to approach due to other financial obligations Mr. Moravec has and by giving him a cushion with a grant he will be able to pay off job credits and create jobs sooner than later. Shaver expressed that he would like to see this paid back with job credits, rather than using a grant. Johnson explained both are tied to job creation, which is the goal of LB840. Council Member Gonzales made a motion, seconded by Council Member Colwell “to approve the Bluffs Physical Therapy LB840 Economic Development Application.” “YEAS,” Gonzales, Colwell, Meininger, Shaver, and McCarthy. “NAYS,” None.

Mr. Johnson went over the goals and salary comparisons he was asked to bring to the meeting. There was discussion regarding years of service and performance of other City Managers. It was the consensus of Council that Mr. Johnson’s salary be increased. It was put into motion by Council Member Colwell “to increase Mr. Johnson’s salary to \$115,000.00 per year.” The motion died for lack of second. Mr. Johnson was asked to bring his contract to the next meeting in order to finalize his salary negotiations.

Under public comments Council Member McCarthy wanted to recognize all graduates for their hard work and accomplishments.

Under Council reports Council Member Shaver reported for Youth Council commenting that the school is on hold due to upcoming graduation and seniors getting ready to be done with school.

Moved by Council Member Shaver and seconded by Council Member Colwell “to adjourn the meeting at 7:30 p.m.” “YEAS,” Meininger, Shaver, McCarthy, Gonzales, and Colwell. “NAYS,” None.

Mayor

Attest:

Deputy City Clerk

Ms. Lehl, also introduced John Schlothauer and Doug Koob from JADS Trucking. Their request consists of a \$50,000.00 grant based on job creation and \$125,000.00 loan. Council Member Shaver asked what the difference was between grant and loan. Mr. Johnson said they are the same, however in this case the word grant was chosen because there are only so many job credits that can be paid back on the loan; they wanted to split it out. Mr. Schlothauer, President of JADS Trucking, explained that they are a Fed Ex independent contractor based out of Scottsbluff and they have just recently acquired five more routes. He stated JADS trucking would be adding five fulltime employees, one part time employee and they have seen a fifteen to eighteen percent increase every year in freight. Council Member Gonzales made the motion, seconded by Council Member Colwell "to approve an Economic Development Application for JADS Trucking," "YEAS," McCarthy, Gonzales, Colwell, and Meininger. "NAYS," Shaver. Absent: None.

Mr. Johnson explained that Bronsen Schliep is removing himself as a partner from Webb Orthodontics and has requested we remove the Guaranty given as collateral for the Webb Orthodontic note. This becomes effective only when Mr. Schliep removes himself as a partner from the entity. Council Member Shaver made the motion, seconded by Council Member McCarthy "to approve the release of Bronsen Schliep from the Guaranty given as collateral for the Webb Orthodontic Note owed to the City," "YEAS," McCarthy, Gonzales, Colwell, Meininger, and Shaver. "NAYS," None. Absent: None.

Mr. Johnson stated that on March 21st there was a Revenue Committee meeting to discuss financials for the current year and projections for the upcoming year. The items looked at were sales tax receipts and NPPD lease payments. After a lengthy discussion by the committee, it was determined for the current fiscal year (2018) to keep the revenues on the sales tax receipts and NPPD least payments at zero percent. Mr. Johnson added he is confident that sales tax receipts will increase, with dollars being spent at different establishments. Mr. Johnson also asked for an endorsement from the Council of the Revenue Committee's recommendation for fiscal years 2018 /2019 of zero percent change for sales tax receipts and NPPD lease payments.

Council Member Shaver expressed concern that sales tax revenues will be down. Council Member Gonzales asked when we would get the next sales tax numbers; Mr. Johnson stated we should have those numbers within the next three to four weeks, which would be after the budget workshop. The majority of the Council agreed, concerning the budget workshop, to go with the recommendation of the committee at zero percent for both sales tax revenue and NPPD lease payments. They did suggest, however, that City Manager Johnson come up with a contingency plan in case revenues come in at a negative compared to the budgeted amount of zero percent.

Mayor Meininger asked the Council to offer their recommendations regarding City Manager Johnson's contract. Council Member Shaver stated that he does not like having the City Manager compared to the other employees as far as the wording in his contract goes. He feels Mr. Johnson is a specialized employee and that he should be separate from the other employees, regarding COLA, because Council sets his wage. Council Member Colwell was concerned if there was latitude in the contract that says a raise is not automatic and would be based on performance and not on years of service. City Attorney Hadenfeldt explained that the provisions of Mr. Johnson's contract are in line with what other cities are giving their managers and that Council sets the salary, but he is still entitled to COLA raises. Mayor Meininger made a motion, seconded by Council Member Shaver "to approve City Manager Johnson's contract, " "YEAS," Gonzales, Colwell, Meininger, Shaver and McCarthy. "NAYS," None. Absent: None.

Mayor Meininger made a motion at 6:55 p.m., seconded by Council Member McCarthy "that the Council will go into closed session for the purpose of protection of the public interest for the intent of a strategy session regarding the potential real estate purchase of a landfill site and options," "YEAS," Colwell, Meininger, Shaver, McCarthy, and Gonzales. "NAYS," None. Absent: None.

Mayor Meininger announced "that the City Council is adjourning to closed session at 6:55 p.m. for the purpose of protection of the public interest for the intent of a strategy session regarding the potential real estate purchase of a landfill site and options."

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") made and entered on this 21ST day of May, 2018, by and between the City of Scottsbluff, Nebraska, a political subdivision of the State of Nebraska, hereinafter referred to as "City" and Nathan Johnson, hereinafter referred to as "Johnson".

The City employs Johnson as its City Manager. This Agreement sets forth the terms and conditions of his employment with the City.

1. Duties:

The City Agrees to employ Johnson as City Manager of the City to perform the functions and duties specified in Sections 6-2-35 through 6-2-39 of the Scottsbluff Municipal Code and to perform such other legally permissible and proper duties and functions as the Mayor and City Council shall, from time to time, assign. Johnson agrees to discharge the duties of City Manager in a professional and reasonable manner and in accordance with the Scottsbluff Municipal Code and Nebraska State Statute, as, from time to time, they may be amended.

2. Term.

A. Johnson shall serve at the pleasure of the Mayor and City Council and nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Mayor and City Council to terminate this Agreement at any time, with or without cause, subject only to the applicable provisions set forth in paragraph 3. of this Agreement.

B. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of Johnson to resign at any time from his position with the City subject only to the provisions set forth in paragraph 3. of this Agreement.

C. Johnson agrees to remain in the exclusive employ of the City until termination or resignation as provided in paragraph 3. of this Agreement. Johnson shall not use any confidential information obtained through his position as City Manager for personal gain. Both parties acknowledge that exclusive employment shall mean that Johnson shall not accept any outside employment from any source whatsoever without first obtaining written approval from the City. Outside employment shall not be construed to include occasional teaching, writing or consulting performed on Johnson's time off. It is further understood that any activity of this nature outside of the workplace cannot represent a conflict of interest.

D. Johnson's job performance will be evaluated on an annual basis.

3. Termination.

A. The Mayor, with the approval of City Council, shall have the right at any time during the term of this Agreement to terminate Johnson for just cause. "Just Cause" is defined as:

(i) a conviction for a felony or any misdemeanor involving moral turpitude, (ii) breach of this Agreement, (iii) commission of any dischargeable offense as defined in the personnel rules for the City, (iv) neglect of duty, (v) unprofessional conduct, (vi) insubordination, (vii) physical or mental incapacity, or (viii) any other conduct which substantially interferes with the continued performance of duties.

B. If Johnson tenders his resignation, he agrees to give sixty (60) days advance written notice.

C. The parties acknowledge that the Ordinances of the City provide that the City Manager shall be appointed by the Mayor with the approval of the majority of the City Council, and may be removed at any time by the Mayor with the approval of the majority of the City Council. It is, therefore, not possible for the City to offer Johnson any guaranty of continued employment. To induce Johnson to continue to serve in the position of City Manager, it is in the best interests of the City to provide a severance package in the event Johnson's employment by the City is terminated. All sums payable to Johnson pursuant to this Agreement are compensation for services rendered before payment is made or agreed to be made. The City agrees to pay Johnson on the City's regular pay days, six months severance in the case of termination for other than Just Cause, resignation or change from a council-manager form of government. This severance shall include City-paid family health, dental, retirement, life and long-term disability (if applicable) for the duration of the severance. Severance shall be reduced as follows:

(i) Ceases in the event Johnson commences employment in another comparable position.

(ii) If a lesser paying position commences during the severance period then severance will continue as the difference between his City regular gross pay minus the regular gross pay of his new position multiplied by the reduction factors set forth below:

- (a) The first seven bi-weekly payments shall be at 100% of the regular gross pay.
- (b) Payments eight and nine shall be at 80% of the regular gross pay.
- (c) Payments ten and eleven shall be at 60% of the regular gross pay.
- (d) Payments twelve and thirteen shall be at 40% of the regular gross pay.

(iii) Johnson shall use his best efforts to secure comparable employment as quickly as possible following separation from the City. In addition, during the severance period, Johnson will provide his current address and telephone number information, a report on his efforts to find employment every two weeks, and will be available for assistance to the City as needed. Johnson will also cooperate as needed with the City's legal counsel on the prosecution of or defense of lawsuits where the testimony of Johnson is necessary.

4. Compensation.

A. The salary will be One Hundred Fifteen Thousand Dollars (\$115,000.00) annually. Said compensation shall be paid in installments at the same time as other employees of the City are paid.

B. The City agrees it will review Johnson's compensation and other benefits and adjust the same in such amount and to such an extent as the City may determine for its other employees. Any annual review of Johnson's compensation shall be made at the same time, but not necessarily to the same extent, as similar consideration is given to other employees of the City generally. Provided, an increase of compensation to other City employees based on COLA, will also be given to Johnson, at a minimum. Any increase to Johnson will be effective on the date determined by the City. Johnson will be considered an exempt employee for overtime pay.

5. Automobile.

In addition to the compensation, Johnson shall receive \$250.00 per month as a monthly reimbursement allowance for the use of his personal automobile while in the performance of his duties. Johnson shall bear all maintenance, insurance, and other expenses in connection with the operation of his automobile.

6. Telephone.

The City shall pay Johnson a \$30.00 per month telephone allowance in lieu of providing Johnson with a cellular telephone for City business.

7. Professional Development.

The City agrees to support Johnson in becoming involved in regional and national activities. The City agrees to pay the annual dues and pre-approved conference expenses to the following organizations: the Government Finance Officers Association, the International City Managers Association, the Nebraska City Managers Association, the League of Nebraska Municipalities, Rotary Club, the Scottsbluff/Gering Chamber of Commerce and Next Young Professionals.

8. Expenses and Bond.

The City shall reimburse Johnson for payment of City business expenses while conducting official City business as long as not in conflict with established rules and regulations of the Nebraska Accountability Commission or other provisions of this Agreement. The City also agrees to pay for any fidelity or other bond required as City Council may approve.

9. Employment Benefits.

The City agrees to provide such employment benefits to Johnson as it provides to other City employees, including health insurance, disability insurance and retirement.

Retirement: City shall contribute an amount equal to 12% of Johnson's salary as deferred compensation to Johnson's Union Bank & Trust account as part of the City's retirement plan. Johnson may make voluntary contributions to his Union Bank & Trust account to the extent City employees are allowed to make voluntary contributions to the City retirement plan pursuant to the City Personnel Manual, City Ordinance, Internal Revenue Codes and its applicable regulations. However, if Johnson makes any voluntary contributions to his Union Bank & Trust account, the City will not be required to make corresponding matching contributions as any such contribution of the City required by this Agreement will be limited to 12% of Johnson's salary. The City shall not be required to make any other contribution to Johnson's Union Bank & Trust account.

10. Other Terms and Conditions.

The Mayor and City Council shall fix any such other terms and conditions of employment as it may determine from time to time, relating to the performance of Johnson, provided such terms and conditions are not inconsistent with or in conflict with provisions of this Agreement or of applicable law. Except to the extent otherwise provided, the regulations and rules of the City relating to employment and employment benefits as they now exist or hereinafter may be amended shall apply to Johnson as they would to other employees of the City.

11. General Provisions.

A. This Agreement outlines the entire agreement between the parties.


B. This Agreement shall be binding upon the parties and shall inure to the benefit of the personal representative and heirs of Johnson.

C. This Agreement and all amendments, alterations, or additions shall be in writing, shall be approved by the Mayor and City Council and Johnson, shall be filed with the City Clerk, and an executed copy furnished to each of the parties.

D. This Agreement shall be construed according to the laws of the State of Nebraska.

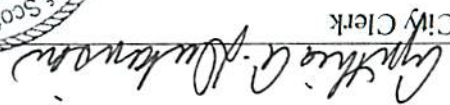
E. If any of the provisions or any portion hereof, contained in this Agreement is held to be unconstitutional, invalid or unenforceable, the remainder of the Agreement or portion thereof, shall be deemed severable, and shall be affected and shall remain in full force and effect.

CITY OF SCOTTSBLUFF, NEBRASKA

By  Mayor

 Nathan Johnson



 City Clerk

ATTEST: