



City Council

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EUGENE CITY COUNCIL AGENDA

July 22, 2024

5:30 p.m. CITY COUNCIL WORK SESSION

City Council Monday work sessions are held in hybrid format using in person and virtual meeting technology. Information about online or other options for access and participation will be available at <https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials>

Meeting of July 22, 2024; Her Honor Mayor Lucy Vinis Presiding

Councilors

Matt Keating, President
Jennifer Yeh
Mike Clark
Lyndsie Leech

Randy Groves, Vice President
Alan Zelenka
Greg Evans
Emily Semple

5:30 p.m. CITY COUNCIL WORK SESSION

1. **EXECUTIVE SESSION: Pursuant to ORS 192.660 (2)(i)**
2. **WORK SESSION: City Manager Performance Evaluation**

The Eugene City Council welcomes your interest in these agenda items. This meeting location is wheelchair-accessible. For the hearing impaired, an interpreter can be provided with 48 hours' notice prior to the meeting. Spanish-language interpretation will also be provided with 48 hours' notice. To arrange for these services, contact the receptionist at 541-682-5010. City Council meetings are telecast live on Metro Television, Comcast channel 21, and rebroadcast later in the week.

El consejo de la Ciudad de Eugene agradece su interés en estos asuntos de la agenda. El lugar de la reunión tiene acceso para sillas de ruedas. Se puede proveer a un intérprete para las personas con discapacidad auditiva si avisa con 48 horas de anticipación. También se puede proveer interpretación para español si avisa con 48 horas de anticipación. Para reservar estos servicios llame al 541-682-5010. Las reuniones del consejo de la ciudad se transmiten en vivo por Metro Television, Canal 21 de Comcast y son retransmitidas durante la semana.

For more information, contact the Council Coordinator at 541-682-5010,
or visit us online at www.eugene-or.gov.

July 22, 2024 Work Session

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Work Session: City Manager Performance Evaluation

Meeting Date: July 24, 2024
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 2
Staff Contact: Keri Beraldo
Contact Telephone Number: 541-682-5765

ISSUE STATEMENT

This work session is Council's opportunity to discuss the job performance of City Manager Sarah Medary following an executive session held pursuant to ORS 192.660(2)(i) (Performance Evaluations of Public Officers and Employees). Additionally, this is the time for Council to discuss any changes to Medary's compensation and benefits.

BACKGROUND

On June 15, 2020, Council voted unanimously to appoint Sarah Medary as the City Manager. Paragraph 5 of the City's employment contract with Medary states:

Performance Evaluation and Salary - The City Council shall annually review and evaluate Medary's performance in the manner outlined in Exhibit A attached hereto. The City Council's discussion of Medary's performance shall be scheduled to occur every year at a meeting held sometime between June 1 and July 30. The eight City Councilors shall consider increasing Medary's compensation at the same time of Medary's annual performance evaluation, or, at the latest, before July 30. The City Council may conduct additional reviews of Medary's performance at any other time it deems appropriate.

For consistency with the Council's other employees (Police Auditor and Presiding Municipal Judge) it is recommended that Paragraph 5 of the City Manager's contract be revised to provide as follows:

Performance Evaluation and Salary - The City Council shall annually review and evaluate Medary's performance, alternating between an informal evaluation and a formal evaluation. Medary and City will establish a mutually agreed upon list of stakeholders to provide feedback for an informal evaluation and a broader list of stakeholders to provide feedback for a formal evaluation. The City Council's discussion of Medary's performance shall be scheduled to occur every year at a meeting held sometime between June 1 and July 30. The eight City Councilors shall

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consider increasing Medary's compensation at the same time of Medary's annual performance evaluation, or, at the latest, before July 30. The City Council may conduct additional reviews of Medary's performance at any other time it deems appropriate.

The possible motion provided in this AIS provides for this alternating evaluation process.

On July 18, 2022, Council established a salary range for the City Manager position, set Medary's compensation within the established salary range, and provided that both the salary range and Medary's compensation shall be adjusted each year consistent with the non-represented employee COLA increase. The salary range for the City Manager position is currently \$231,816 to \$310,835. Medary's annual salary is currently \$293,217.

As a data point, during the 2022 discussion regarding the City Manager's compensation, Council requested that in all future City Manager compensation discussions they be provided the next highest salary for a City executive. Currently, the next highest salary on the executive team is \$245,606. In 2022 Councilors also requested the provision of pay-placement information (consistent with the process established for the City's non-represented employees) for each of the Council's employees. Based on the Employee Resource Center's pay-placement analysis of Medary's education and work experience, in 2023 the Council placed Medary within the salary range that had been established in 2022 (and that had been adjusted for COLAs). The City Manager salary range established by Council in 2022 does not include steps for awarding merit increases. Currently, Medary is within approximately 5.5% of the top of range. Given there is not a set single step percentage range for the City Manager, 3.5% which is an annual increase of approximately \$10,263 could be considered a good guideline given the salary range of the position. Should Council choose another percent, each percent increase is approximately \$2932/year.

While there is room within the currently established salary range for a merit increase, Medary has requested that if Council wants to provide her with a merit compensation award that, instead of awarding an on-going merit increase to her base salary, the Council, consider awarding her a one-time, lump sum deposit in her deferred compensation account to be made no later than January 2025.

COUNCIL OPTIONS

1. Award Medary merit compensation in the form of a one-time lump-sum contribution towards her retirement to be made no later than January 31, 2025.
2. Award Medary an on-going merit salary increase that falls within the salary range established by Council for the City Manager position.
3. Not award Medary merit compensation this year.

POTENTIAL MOTION

Move to authorize the Council President to execute an amendment to City Manager Sarah Medary's employment contract that: 1) awards Medary a ____% of pay one-time lump-sum contribution towards her retirement to be made no later than January 31, 2025; and 2) amends Paragraph 5 as set forth in this AIS.

ATTACHMENT

A. City Manager's Self Evaluation

FOR MORE INFORMATION

Staff Contact: Keri Beraldo, Employee Resource Center Co-Director
Telephone: 541-682-5765
Staff E-Mail: kberaldo@eugene-or.gov



Date: July 22, 2024
To: Mayor and City Council
From: Sarah Medary, City Manager
Re: My 2024 Self Evaluation

I'm filled with gratitude as I reflect on our last year together. Leading and serving this organization and community is an incredible honor and I'm consistently inspired by the City team. We are an organization of innovative, professional and deeply caring individuals working hard to make things better for our community. I couldn't ask for a better team to belong to. That said, the City is a team of teams and the two I work the most closely with are the Executive Team and the City Manager's Office.

The Executive Team has been transforming over the last year with the addition of a second Assistant City Manager, the Chief Financial Officer and a new Library, Recreation and Cultural Services Director. Even with changes and new members, the Execs are a highly functioning, experienced and cohesive team. The organization and community are fortunate to have this team guiding the way through the complex challenges we face. They face all the hard things with a regularly expressed love for this community, their teams and each other.

The City Manager's Office team has a very special place in my heart. I interact with them daily on everything from schedules and agendas to grand openings, public records, strategic planning, legislative and intergovernmental issues, elections, constituent concerns and so many more things. The work they do requires flexibility and precision - sometimes in the same moment. They center the community and council in all things they do and I get to see how deeply they care each day. I also see how deeply they care about me as they regularly intervene with support when they sense I might need some. That could be picking up a piece of work or delivering a funny gift to my desk. They are fun and funny and make coming to work a joy.

This year's evaluation was intended to be a less formal self-evaluation. The things I'll share emerged from my reflections on the year and a series of 1:1 interviews with each of you, community partners and colleagues, union leaders and City staff at different levels of the organization. The conversations loosely centered around three questions - 1) how are you experiencing me in this role 2) how are you experiencing the City under my leadership and 3) are there blind spots I need to be aware of. The third question of blind spots generally led to areas of opportunity or possibility.

A Look Back

The City accomplished a lot over the last year. On Wednesday, July 24th, you'll receive the City's first annual report on the strategic plan adopted by Council in 2023. It does an excellent job of cataloging progress in many areas so I'll just mention a few highlights in this document.



1) Financial Stability - As you know, we entered the first year of the biennium knowing we would need to solve an additional \$8-10 million shortfall in the general fund. This was on top of the 25-30 we already reduced or repurposed as part of the adopted budget. Implementing the changes and continuing to seek more has been hard on all of our employees. For some, they've been in almost constant problem solving mode and for others there has been concerns for services, the community, jobs and overall wellbeing. I am proud of the work we did to stabilize the biennium and identify additional revenue sources to hopefully set us on a more sustainable trajectory. I'm looking forward to the revenue conversations in the fall.

2) City Hall - While the decision to purchase did not happen in the last year, the leadership and work by staff and contractors to renovate and prepare for a spring/summer 2024 move in was incredible. The team kept the work simple and affordable and we met almost all timelines even with ongoing challenges of supply chains. City staff led the way with pride and ownership and the results of the work are easy to see and experience. The conversations I had throughout the grand opening underscore the importance of having a convening space for community and staff.

3) University District Response - The closure of the University District emergency room caught the community and organization by surprise and the City team pivoted fast to maintain operational continuity. Beyond the initial staffing up to ensure community safety and wellbeing, Chief Caven and team recognized the need and opportunity to innovate services and has developed partnerships and funding streams to implement new models of care.

4) Fire Governance - The work towards improving our Fire and EMS governance model made important advances over the last year. In Eugene, this effort was largely led by Assistant City Manager Hammitt and Chief Caven who continued to dive into many of the financial and administrative nuances of advancing and improving the system. With the assistance and knowledge of our consultant, AP Triton, a lot more is known about how to move forward over the next year. There's still a lot of work to do, but it is moving in the right direction.

5) Executive Team - The last year brought many changes to the exec team and I'm inspired by how the team has grown and adapted. We added a second Assistant City Manager and re-organized our reporting structure to give those positions more authority and decision making ability. We added a Chief Financial Officer as a direct report to the City Manager to provide more autonomy and authority to the position as well as a 1:1 partnership as we navigate the financial challenges. We added a new Executive Director of Library, Recreation and Cultural Services and next week we'll be welcoming a new Executive Director of Public Works. Both of these recruitments brought outside candidates which has provided new life and work experiences which is strengthening our team every week. As you know, the success of the City Manager is rooted deeply in the success of this team and the work we do together to serve this community and organization. I'm grateful to them every day for continuing to show up with creativity, courage and love.



My Leadership and Relationships

The feedback I received about how people are experiencing me was very consistent with what I heard last year. I heard the most consistency about being open, approachable, authentic and caring. Everyone I talked to felt they could reach out to me about issues and know I'll listen, care and help. Within the organization, I received a lot of great feedback about the all-city meetings and huddles and how anyone can jump on and ask me direct questions on any topic. That accessibility is welcomed by most. External to the city organization, community partners expressed similar feelings, but also emphasized my ability to convene and facilitate groups through more challenging and vulnerable issues and conversations.

People generally appreciate my ability to be fun and serious and that I have the ability to fluidly move between those as needed. Many of the folks talked about their trust in me and their appreciation of my approach. People appreciate that I lead with gratitude and humility.

All of those strengths carry some shadows of opportunity. Some would like to see me, at times, be more directive, assertive and protective of boundaries. Several mentioned that I could give myself more credit or be less hard on myself if things take a side turn.

While many told me I'm doing a great job and to just keep doing what I'm doing, there are several areas of opportunity to explore and improve over the next year:

Communication - This came up in a lot of different ways. No one said communication was a problem, but most communicated that more is always better. Some mentioned the frustration with not knowing when something has been answered by staff or if staff are working on an issue that's been forwarded. We can do a better job of closing the loop with each of you so you know what's happening. The City [Newsroom](#) was mentioned as a good improvement to supplement the reduction of local news and most encouraged us to find additional ways to communicate and tell our story, especially related to the budget and livability issues facing neighborhoods. The City Council also struggles with how to better reach constituents and have the tools, facts and information needed to draw from.

Downtown - Almost everyone recognized the changes we've made to better address downtown and almost all would like to see even more improvements to draw our community back to the core. There's a lot of enthusiasm about adding housing and some concerns that without better safety or consistency in experience, these efforts will struggle.

Economic Development and Support of Business

I heard a lot about the need to better support business and hopes we would focus more on building our base of businesses as part of our resource strategies both now and in the future. Many would like to see Eugene have a more "business friendly" approach and/or reputation. One of the ways mentioned was to include more about impacts to businesses when considering policy and fiscal issues.



Leveraging Strong Partnerships

Our regional partnerships are very strong right now and the partners I interviewed were excited about building on that and doing more together over the next year. From joint emergency and resiliency planning and drills to workforce connections and our youth, there's clearly an opportunity to do more across organizations. This is an exciting time and I'm looking forward to exploring the possibilities.

Time

Many people expressed a desire to spend more time with me and with other execs. For some this meant more 1:1 and for others it meant time in the organization with staff or out in the community. It also came up as a reflection of my ability to convene in that groups want time with each other and they think they'll come if I invite them. This is especially important now as folks are still working and living somewhat differently with impacts of Covid. I'm curious how City Hall will impact this as many teams are under one roof with the ability to convene the rest of the organization and community.

Resources

We've all been focused on stabilizing resources and protecting services and that will continue to be a priority over the next year. I was reminded with frequency during my interviews that the lack of resources is having significant impacts on staff as they really are working hard to provide excellent service with less. Some of the impacts of this include staff feeling like there are more silos than before and that customer service has dropped off a bit. Some expressed that if you're inside the organization you can see how hard your peers are working and how dedicated they are to the community, but how that is not always being experienced or believed by the community. This is hard on morale. We've also been working hard to transform many of our citywide efforts such as budgeting, strategic planning and performance management. I definitely heard the toll these are taking and our team is already actively working to simplify some of the processes going forward.

Interpretive Dancing

Ok, you know I'm not going to do that though several of you still ask. :-) That said, I'm offering a second playlist for my reflections of 2024. Here's the repeated disclaimer: I picked songs that resonated because of their overall message, title OR their lyrics and sometimes just one line of the lyrics. Sometimes I just liked the vibe and sometimes they are directly related to an experience. I use the artist version which means that some have explicit language. I hope you'll find that the end result is a celebratory, grateful and soulful [list](#).

I look forward to hearing more of your comments and feedback and hopes for the next year.