



Midpeninsula Regional
Open Space District

R-14-79
Meeting 14-12
May 14, 2014

AGENDA ITEM 7

AGENDA ITEM

Adoption of Board Policy 2.02, “Board Appointee Performance Evaluation Process”

GENERAL MANAGER’S RECOMMENDATION

A handwritten signature in black ink, appearing to be "G.M.", written over the end of the "GENERAL MANAGER’S RECOMMENDATION" header.

Adopt Board Policy 2.02, “Board Appointee Performance Evaluation Process,” as recommended by the Board Appointee Evaluation Committee.

SUMMARY

Following completion of evaluations for the District’s Board Appointees for the FY2012-13 review period, the Board referred to the Board Appointee Evaluation Committee (Committee) a review of the current evaluation process. On December 17, 2013, the Committee reviewed and discussed information regarding various processes available for conducting Board Appointee Performance Evaluations and directed the General Manager to prepare a draft policy and return to the Committee for further review. On April 8, 2014, the Committee reviewed and discussed a draft Board Appointee Performance Evaluation Process policy and directed the General Manager to make several final revisions and to forward the final policy to the full Board for consideration. The recommended policy, provided as Attachment 1, establishes a clear process and timeline for appointee evaluations and, if adopted, will help make the evaluation process and timeline consistent from year to year.

DISCUSSION

The Board’s three appointees – General Manager, District Controller, and General Counsel – receive annual performance evaluations from the Board of Directors. The Committee was established to carry out this evaluation process, serve as the District’s negotiator, and meet with the Board Appointees to discuss their performance and compensation. The previous year’s evaluation process included several meetings with the appointees, closed sessions with the Board to discuss performance and compensation, and compensation information researched and provided by Human Resources staff. The process began in May and took approximately six months, with the final compensation for the Board Appointees approved in a public meeting on October 23, 2013.

Upon completion of the Board Appointees’ evaluations, both the Board and the appointees expressed interest in improving and streamlining the District’s appointee performance evaluation process. Staff presented alternative evaluation processes and best practices for potential process improvements to the Committee on December 17, 2013. Staff’s research, which was based on surveys of seven nearby cities as well as consultant input from BHI Consulting (Brent Ives), a

firm that consults with cities as well as many special districts, identified a list of key factors to be considered in designing an appointee evaluation process (Attachment 2, Committee Report from December 17, 2013). The process recommended by the Committee incorporates all of the key factors as follows:

- *Annual review:* Regular, annual reviews are important to establish expectations and measure performance.
- *Establishing a policy:* A written evaluation process policy is beneficial to maintaining a consistent practice from year to year, particularly as Board members or appointees change.
- *Setting a timeline:* Establishing a timeline in the policy is critical in order to complete the process in a timely fashion, not letting key steps languish. The policy provides for a three month process (once the appointee summary report is submitted to the Board within six weeks after the end of the fiscal year).
- *Use of a subcommittee:* For many steps in the process, use of a smaller committee allows better adherence to the timeline.
- *Appointee summary report:* An appointee's written performance summary memo, summarizing accomplishments for the past year and goals for the new year, is a key starting point for the evaluation process.
- *Use of an evaluation form:* Use of an evaluation form can help provide consistency from year to year. A recommended form is provided as an attachment to the draft policy.
- *Confidentiality:* Performance evaluations are to remain confidential.
- *Closed Sessions:* Appointee evaluations are to be conducted in closed Board and Committee meetings.
- *Use of consultants:* The policy provides for an alternative process if the Board was inclined to use consultant/facilitator expertise in the process in any given year.
- *Comparator agency compensation survey:* The policy provides for the Board to direct Human Resources to conduct a compensation survey to inform the compensation part of the appointee evaluation process.
- *Performance goals driven by District goals:* Aligning appointee goals with the organization's annual goals is critical. Currently, the District's Strategic Plan and annual Action Plan are the goal-setting processes/documents that should inform the appointees' performance goals for the new year.
- *Public meetings:* After evaluations are complete and compensation for the appointees is agreed upon in closed sessions, final approval of compensation is to be considered by the Board in a public meeting.

The process recommended in the policy begins with the Committee chairperson working with the District Clerk and the General Manager's Office to establish specific dates for Committee and Board meetings. Setting these meeting dates well in advance, followed by everyone involved in the process working diligently to meet the established timeline, is essential in order to complete the evaluation process within several months. The process entails two to three Board closed session meetings, two Committee closed session meetings, and one Board open session meeting at the end for any compensation adjustments.

FISCAL IMPACT

There is no fiscal impact associated with the General Manager's recommendation. If an alternative evaluation process were directed by the Board in a particular year, any potential fiscal impact related to the alternative process would need to be evaluated at that time.

BOARD COMMITTEE REVIEW

On December 17, 2013, the Committee reviewed and discussed information regarding various processes available for conducting Board Appointee Performance Evaluations and directed the General Manager to prepare a draft policy and return to the Committee for further review (Approved minutes provided as Attachment 3). On April 8, 2014, the Committee reviewed and discussed a draft Board Appointee Performance Evaluation Process policy and directed the General Manager to make several final revisions and to forward the final policy to the full Board for consideration (Draft minutes provided as Attachment 4).

PUBLIC NOTICE

Public notice was provided as required by the Brown Act.

CEQA COMPLIANCE

This agenda item is not a project under the California Environmental Quality Act (CEQA).

NEXT STEPS

If the Board adopts the recommended policy, the appointee evaluation process for FY2013-14 performance will begin immediately in order to stay as close to the process schedule as possible for this year. If the policy is not adopted at this time, the Committee will reconvene immediately to determine next steps in this year's evaluation process. Either way, the District Clerk has begun work on preliminary scheduling and District staff, as well as Board appointees, have begun work on preparing accomplishments summary documents to inform whatever evaluation process is implemented this year.

ALTERNATIVES

The Board may wish to consider the following alternatives to the General Manager's recommendation:

1. Do not adopt the policy at this time and provide direction to the Committee concerning additional work on the policy;
2. Adopt the policy contingent on specific revisions to the policy that are approved by a majority of the Board prior to adoption.

Attachments

1. Draft Board Policy 2.02, "Board Appointee Performance Evaluation Process"
2. Committee Report from December 17, 2013
3. Committee minutes from December 17, 2013
4. Committee draft minutes from April 8, 2014

Prepared by:

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Board Appointee Evaluation Committee Members:

Cecily Harris

Jed Cyr

Pete Siemens

Midpeninsula Regional Open Space District

Board Policy Manual

Board Appointee Performance Evaluation Process	Policy 2.02 Chapter 2 – Personnel & Board Support
Effective Date:	Revised Date: Not applicable
Prior Versions: Not applicable	

Purpose

To establish procedures governing performance evaluations for Board appointees – General Manager, General Counsel, and Controller.

Policy

The Board of Directors shall follow the process described below for evaluating the performance of its appointees.

1. No later than the last month of the fiscal year¹, the Chairperson of the Board Appointee Evaluation Committee (BAE), with assistance from the District Clerk and the General Manager’s Office, shall develop a schedule of specific dates for BAE and Board meetings, based on the guidance in this policy, for the annual appointee performance evaluation process. The Committee and appointees shall schedule meetings and accomplish assigned tasks with the goal of completing the evaluation process within four months of the end of the previous fiscal year.
2. The BAE shall communicate in writing with each appointee individually prior to the end of the fiscal year to initiate the performance review process. The communication may include topics such as:
 - a. The procedures and timeline for the evaluation process, including confirmation of whether the standard Appointee Evaluation Form should be used (Attachment 2.02a) or whether there are any suggested revisions to the standard form
 - b. Any particular areas of emphasis the BAE wishes to make an appointee aware of prior to the beginning of the evaluation process;
 - c. Any process issues relative to compensation, such as whether Human Resources will be directed to complete a comparator agency appointee compensation survey and any details related to the process for conducting such a survey.
 - d. Any particular areas of discussion and potential change to the appointees’ contracts not specifically related to compensation.

¹ Currently March. If the Fiscal Year is changed to July-June, then month references in this policy will be updated accordingly.

3. Before the end of the second week of May, each Board appointee shall prepare a memorandum to the Board to include information regarding the following topics:
 - a. A summary of issues and accomplishments for the past fiscal year. The Action Plan for the prior fiscal year and the List of Major Accomplishments compiled by District staff shall serve as a guide to Board appointees in the development of their summary of accomplishments;
 - b. A list of goals for the upcoming fiscal year based on the Action Plan adopted by the Board prior to the beginning of the current fiscal year;
 - c. Any specific issues an appointee would like to discuss during the evaluation process;
 - d. Any particular areas of discussion and potential changes to the appointees' contracts not specifically related to compensation;
 - e. Optional: The appointee may also raise compensation issues in this memorandum. Compensation issues may also be verbally raised during the Board-Appointee closed session meetings described in Steps 4 and 5 below.
4. The Board shall meet in mid-May in closed session to hear presentations by the Board appointees regarding their written memoranda. Two closed sessions on different days may be necessary to allow time for all three appointees. Following the appointee's presentation and question and answer and discussion, the appointee will be excused from the session in order for the Board members to discuss amongst themselves and provide their verbal input to BAE members to be reflected in the written evaluations. If follow-up questions are identified for appointee response, the BAE Chairperson will provide such questions in writing to the appointees as soon as possible.
5. The BAE shall hold a follow-up closed session committee meeting as soon as possible following completion of Step 4 above to begin discussion and preparation of appointee evaluations. If follow-up questions were identified for appointee response in Step 4, the BAE will hear appointees' verbal responses or will review appointees' written responses.
6. The BAE Chairperson, with assistance from the other BAE members, shall be responsible for compiling input from each Board member into a written evaluation and confirm that the wording of the written evaluation is consistent with the full Board's input from the closed session described in Step 4. The BAE Chairperson shall deliver the written evaluations to appointees by the end of the second week of June.
7. The Board shall meet by the third week of June in closed session to: (1) review written evaluations with appointees; and (2) provide "financial parameters" to the BAE Chairperson and BAE members to guide compensation negotiations with appointees.

If the BAE had requested from Human Resources a compensation survey be prepared as part of Step 2 above, the survey results shall be made available to the Board at this time.

8. The BAE shall meet with appointees individually as soon as possible after Step 7, but no later than the second week of July to discuss compensation adjustments, as necessary.

Typically, appointees shall receive the Competitive Market Increases provided to other unrepresented employees. The adjustment is to be implemented at the Board's discretion. If further direction on compensation is needed from the Board, another closed session will be scheduled.

9. If additional compensation adjustments are to be implemented for individual appointees, the BAE shall instruct Human Resources to prepare Board agenda items on appointee compensation to be on the Board's agenda no later than the first regular Board meeting in August. Salary increases will customarily be retroactive to the beginning of the current fiscal year. However, retroactivity is not mandatory.
10. Board appointees will also be considered annually for a merit award of up to 5% of base pay. Such merit awards are intended to recognize exceptional performance during any given year. This merit pay, if awarded, is a one-time lump sum payment, will not adjust the salary rate, and will not be added to the appointee's base salary for the purpose of computing life insurance coverage or long-term disability wages.
11. Within two weeks following the final closed session regarding compensation, the Board appointees will be provided a final copy of their evaluation to sign and file with Human Resources as required by CalPERS. In addition, the Board appointees will be provided a Board approved contract that includes any amendments or updates negotiated earlier in the evaluation process for their signature and filing with Human Resources. Once negotiated, contract amendments typically will be processed by Human Resources, with consult from the Deputy General Counsel or Assistant General Manager(s) as necessary, unless third-party legal assistance is necessary.

This policy acknowledges that other formal and informal methods of Board-Appointee communications, goal-setting and performance evaluations exist. This policy does not preclude the use of these other methods.

Alternative Process

1. If any member of the Board would like to recommend to the full Board that an alternative process be implemented, such as utilization of a professional facilitator/consultant for that year's evaluation process, then three months before the end of the fiscal year this suggestion should be raised and discussed in a Board closed session to determine if a majority of the Board concurs.
2. If a facilitator/consultant is to be utilized, the Board shall identify funding and the BAE shall carry out a search and selection process for the facilitator, such that a facilitator is hired before the end of the fiscal year. The BAE shall work with the hired facilitator to develop a schedule with specific dates and process/steps for the upcoming performance evaluation process.

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT BOARD APPOINTEE EVALUATION FORM

PART I – EVALUATION OF ACCOMPLISHMENTS

In this section, the planned goals and performance standards listed in the previous year's evaluation will be reviewed and accomplishments during the evaluation period related to those goals and standards are to be highlighted. Unplanned accomplishments may also be highlighted in this section. The Board Appointee's Performance Memorandum (as required by Section 3.a of the Board Appointee Performance Evaluation Process Policy 2.02) shall inform the goals, performance standards and accomplishments reviewed in this section.

PART II – EVALUATION OF PERFORMANCE FACTORS

In this section, the performance factors listed in the previous year's evaluation will be reviewed and key areas of success, as well as any areas for improvement, are to be highlighted. Although the intention is not to necessarily rate every performance factor, the written and verbal discussions can refer to the following rating categories for consistency:

- *Consistently exceeded expectations;*
- *Met expectations and occasionally exceeded expectations;*
- *Met expectations;*
- *Occasionally failed to meet expectations;*
- *Consistently failed to meet expectations*

Performance factors for the Board Appointee may vary from year to year, but should typically address the areas of performance listed in Attachments 1, 2, and 3 corresponding to each Appointee.

PART III – PLANNED GOALS AND PERFORMANCE STANDARDS FOR THE NEXT EVALUATION PERIOD

In this section, goals and performance standards for the next evaluation period will be listed. The Board Appointee's Performance Memorandum (as required by Section 3.b of the Board Appointee Performance Evaluation Process Policy 2.02) shall inform the goals and performance standards listed in this section, and will typically be based on the Action Plan adopted by the Board prior to the beginning of the current evaluation period.

PART IV – OVERALL EVALUATION

In this section, an overall evaluating rating shall be given and any final comments. The ratings shall be as follows:

- *Consistently exceeded expectations;*
- *Met expectations and occasionally exceeded expectations;*
- *Met expectations;*
- *Occasionally failed to meet expectations;*
- *Consistently failed to meet expectations*

**MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
GENERAL MANAGER PERFORMANCE FACTORS**

Performance factors are to be addressed in Part II of the Evaluation Form. Performance factors for the General Manager may vary from year to year, but should typically address the following areas of performance:

1. How well were goals met?
 - a. Timeliness
 - b. Completeness
 - c. Personal Initiative

2. Relationship with public.
 - a. District image upheld/improved;
 - b. Collaboration;
 - c. Responsiveness
 - i. Requests/questions from the public were answered in a timely, informative and respectful manner
 - ii. Public outreach was emphasized
 - iii. The perspective of “looking at the District through the eyes of the public” was emphasized and modeled

3. Overall Results and Organizational Effectiveness
 - a. Achieves action plan and strategic plan goals;
 - b. Adjusts organization and staffing to maximize productivity,
 - c. Cost effectiveness
 - d. New opportunities/challenges were evaluated and acted upon appropriately
 - e. The District’s stature in the community was enhanced

4. Professional development

For Staff:

 - a. Training and hiring reflected in overall improvement of work products and processes.
 - b. Models leadership, vision, ethics, mentoring and clear decision-making to staff

For Self:

 - c. Meet with key community leaders and groups
 - d. Develop leadership role, representing District, in local community.

5. Key partner or adjacent agency relations
 - a. Maintain collaborative relationships with key partners in San Mateo, Santa Clara and Santa Cruz Counties to advance protection and management of open space.

6. Relationship with Board
 - a. Responsiveness to Board requests;
 - b. Promote transparent organization;
 - c. Manage Board-Staff interface;
 - d. Dignify Board process by personal example.

7. Fiscal business management
 - a. Develop long-range financial management capacity;
 - b. Improve budget monitoring capability;
 - c. Protect District's excellent financial position;
 - d. Keeps expenditures within approved budgets.

8. Relationship with other Board Appointees
 - a. Establish and maintain trust, collaboration and meaningful working relationships with other Board appointees;
 - b. Recognize and support different roles

**MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
GENERAL COUNSEL PERFORMANCE FACTORS**

Performance factors are to be addressed in Part II of the Evaluation Form. Performance factors for General Counsel may vary from year to year, but should typically address the following areas of performance:

1. How well were goals met?
 - a. Timeliness;
 - b. Completeness;
 - c. Personal Initiative.

2. Track, oversee, and direct all litigation
 - a. Provides timely updates to the Board;
 - b. Seeks Board direction where needed.

3. Professional development
For Staff:
 - a. Provide training and legal guidance for staff and volunteers in matters affecting the District;
 - b. Continue to mentor and oversee Assistant General Counsel and generally model leadership, ethics, mentoring and clear decision-making to staffFor Self:
 - c. Continue to pursue collaboration and continuing education opportunities in field of local government legal practice.

4. Relationship with Board
 - a. Responsiveness to Board requests;
 - b. Promote transparent organization;
 - c. Dignify Board process by personal example.

5. Relationship with other Board Appointees
 - a. Establish and maintain trust, collaboration and meaningful working relationships with other Board appointees;
 - b. Recognize and support different roles.

Performance factors are to be addressed in Part II of the Evaluation Form. Performance factors for the Controller may vary from year to year, but should typically address the following areas of performance:

1. How well were goals met?
 - a. Timeliness;
 - b. Completeness;
 - c. Personal Initiative.

2. Relationship with Board
 - a. Responsiveness to Board requests;
 - b. Promote transparent organization;
 - c. Dignify Board process by personal example.

3. Relationship with other Board Appointees
 - a. Establish and maintain trust, collaboration and meaningful working relationships with other Board appointees;
 - b. Recognize and support different roles;
 - c. Effective working relationship with other Board appointees' staff as necessary for Controller's goals

**MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
CONTROLLER PERFORMANCE FACTORS**

Performance factors are to be addressed in Part II of the Evaluation Form. Performance factors for the Controller may vary from year to year, but should typically address the following areas of performance:

1. How well were goals met?
 - a. Timeliness;
 - b. Completeness;
 - c. Personal Initiative.

2. Relationship with Board
 - a. Responsiveness to Board requests;
 - b. Promote transparent organization;
 - c. Dignify Board process by personal example.

3. Relationship with other Board Appointees
 - a. Establish and maintain trust, collaboration and meaningful working relationships with other Board appointees;
 - b. Recognize and support different roles;
 - c. Effective working relationship with other Board appointees' staff as necessary for Controller's goals.



Midpeninsula Regional
Open Space District

BOARD APPOINTEE EVALUATION COMMITTEE

R-13-121
December 17, 2013

AGENDA ITEM 1

AGENDA ITEM

Information on the Board Appointee Evaluation Process

GENERAL MANAGER'S RECOMMENDATION

Review and discuss information regarding various processes available for conducting Board Appointee Performance Evaluations and determine next steps for developing a process for the upcoming evaluation period(s).

SUMMARY

Following completion of evaluations for the District's Board Appointees for FY2012-13 review period, the Board referred to the Board Appointee Evaluation Committee (Committee) a review of the current evaluation process. In preparation for the Committee's review and to inform the Committee's consideration of whether to recommend changes to the process to the full Board, District staff surveyed numerous local agencies and reviewed information submitted by BHI Management Consulting to gather information on various processes for conducting appointee evaluations. This report provides a summary of information gathered from these local agencies and identifies key factors for consideration when developing an evaluation process.

DISCUSSION

The Board's three appointees, the General Manager, the District Controller, and the General Counsel receive an annual performance evaluation and potential compensation adjustment.

The Committee was established to carry out this evaluation process, serve as the District's negotiator, and meet with the Board Appointees to discuss their performance and compensation. This year's evaluation process included several meetings with the appointees, closed sessions with the Board to discuss performance and compensation, and compensation information researched and provided by Human Resources staff. The process began in May, lasted approximately six months, with the final compensation for the Board Appointees approved in a public meeting on October 23, 2013.

Upon completion of the Board Appointees' evaluations, both the Board and the appointees expressed interest in improving and streamlining the District's performance evaluation process. Staff was directed to research and return to the Committee with alternative methods and best practices for potential process improvements.

Survey of Other Agencies' Processes

District staff conducted a survey of seven nearby cities to determine best practices for appointee evaluations. The cities surveyed included Campbell, Los Altos, Menlo Park, Mountain View, Santa Clara, Sunnyvale and Palo Alto. The survey included gathering data by emailing survey questions, conducting interviews with Human Resources staff and Council appointees in the survey agencies, reviewing policies from the survey cities, and information from other HR professionals.

All of the surveyed cities conduct an evaluation process for their appointees and all of the appointees report directly to the City Council. In almost all of the cities the Board Appointee group consists of the City Manager, the City Attorney and the City Clerk. In the case of some of the smaller agencies in which the City Attorney is a contract position or the City Clerk reports to the City Manager, the City Council does not evaluate them.

Key Process Factors for Consideration

The following is a list of key factors staff identified from its research, in addition to factors discussed in a summary report from BHI Consulting (Brent Ives), provided as Attachment 1.

Annual Review: Each agency conducts an annual review of the appointees. Some agencies determine from year to year that the reviews may be more limited in scope, depending upon external factors such as limited budget or time constraints.

Performance Review Policy for Appointees: Only the larger agencies surveyed, such as Mountain View and Sunnyvale, have a formal written policy which details the process for appointee performance review. Sunnyvale is in the process of reevaluating their current processes. The other agencies surveyed rely on past practices to guide the appointee evaluation process instead of a written policy.

Setting an Annual Time frame and Schedule for Evaluation and Review: In the larger agencies, the appointee review process begins by confirming the time frame and key milestones in the process. Mountain View also sets a schedule that identifies when closed sessions and various Council meetings will be devoted to evaluation.

Subcommittees: Several of the agencies utilize a subcommittee which may, for example, consist of the Mayor and Vice Mayor to facilitate the evaluative process, work directly with the appointees, give the evaluation to the appointees and negotiate the compensation. These subcommittees also serve to establish and drive the timeline for the evaluation process.

Appointees prepare a summary report for Council to serve as a tool for evaluation: In almost all cases, the appointees are required to prepare a report to provide details of issues, significant accomplishments and goals for the upcoming performance year. In some agencies the City Manager directs the Executive Team (typically Department Heads) to provide information on their significant accomplishments and upcoming goals and this information is then included in the City Manager's report to Council.

Performance Evaluation Form: The larger agencies use an evaluation form for the appointee to complete for Council review. In the case of one city, the evaluation is given to the appointee, and each Council member also completes an evaluation form on the appointee's performance. Other agencies rely on the appointees' summary report for the evaluation.

Question and Answer Session with the Appointees: In one agency the Council works with their evaluation subcommittee to develop specific questions to ask the appointees after the Council has received the appointees' own report or performance evaluation. In a closed session Q&A with the Council and facilitated by the subcommittee members, each appointee has the opportunity to answer Council members' questions. This Q&A session is factored into the evaluation process timeline and allows for open dialogue with the Council and the appointees in a structured format.

Confidential Evaluation Report: In all cases the Council prepares and presents a confidential report to the appointees. And in all cases, this report is placed in the appointees' confidential file. In some agencies these files are maintained by Council, and no other staff has access to the file. In other agencies the files are maintained by other confidential agency staff.

Consultants: Half of the cities reported using a consultant to facilitate the evaluation process, particularly with a new appointee. Consultants are used in some agencies to implement 360-degree reviews of the appointee (usually the City Manager). Also, consultants are used to assist the appointees and Councils with setting performance goals for the upcoming year. One city has written into their policy that a consultant will be permitted to facilitate the more in-depth performance review process every three years.

Goal Setting Process: Agencies report using a consultant to work with Council in goal setting processes for the agency and thereby determine the performance goals for the appointees as of result of the goal setting process.

Closed Sessions: In all cases, closed sessions were set up with the evaluation subcommittee and/or the full Council and the appointees to discuss their performance.

Salary Surveys: In all agencies the Council is provided with compensation information, which is used after the evaluation to help determine the appropriate compensation adjustment to make for the appointees. Usually Human Resources staff conducts compensation surveys or provides survey data based on agreed upon local comparator agencies.

Public Meetings to approve compensation adjustments: In all cases after the evaluation is complete and the compensation for the appointees is agreed upon, the final approval for compensation is presented in a public Council meeting.

Many of these factors related to appointee evaluation processes are also emphasized in the BHI report provided as Attachment 1. One point emphasized by BHI is the creation of a process guide to clearly articulate the process that will be used year after year and achieve longer-term consistency. Some agencies adopt a formal Council/Board policy to articulate the process.

FISCAL IMPACT

If a Board Appointee Evaluation process is developed that includes utilizing a consultant to assist with developing the process, or actually facilitating the process during appointees' evaluations, there will be a fiscal impact. The cost of consultant expertise in developing the process would depend on the scope of work; staff would need to perform additional research following the

Committee's direction to determine this potential cost. Based on other agencies' experiences, the cost of utilizing a consultant to facilitate evaluations could range from \$15,000 to \$25,000, depending on the scope of the process.

PUBLIC NOTICE

Public notice was provided as required by the Brown Act. No additional notice is required.

CEQA COMPLIANCE

Review of this information is not considered a project under the California Environmental Quality Act and no environmental review is required.

NEXT STEPS

Review and discuss the various factors for Board Appointee Performance Evaluation processes and determine next steps toward possible revisions or enhancements to the present Board Appointee Evaluation process.

Attachment

1. BHI Report on the Development of an Appointee Performance Evaluation Process

Prepared by:
Candice Basnight, Human Resources Supervisor

Responsible Department Head:
Kevin Woodhouse, Assistant General Manager

**Report on the Development of a Appointee Performance
Evaluation Process for the Board of Directors of the
Midpeninsula Regional Open Space District**

**Los Altos, CA
December 6, 2013**

The process of evaluating a general manager or any appointee of a public agency provides opportunities for the assessment of performance, professional growth and appointee conduct, based on clearly outlined position related expectations and goals. It is clearly the role of the elected or appointed Board to perform this process with efficiency and professionalism.

To assure that an evaluation process moves through the right steps, with the right set of people involved, with the right outcomes, the resultant process must be allotted the proper amount of time. Those involved with the administration of the process should budget the time needed. The process can take several weeks from beginning, to the filing of the completed documents. The time needed often has to do with assuring that the whole Board is properly involved and that this confidential process is conducted as such.

Part of any evaluation of an executive level employee is for the expectations and goals to be centered on results and achievements. Thus the evaluation must be integrated with the results and achievements set by the Board of Trustees. Therefore, the Board of Directors must consider critical aspects of performance and success within their District, then send clear messages to the appointee regarding these performance relative to those critical performance aspects. Many of the performance aspects of a general manager are clearly spelled out in a strategic plan with some are commonly expected professional expectations and still others are very specific goals set by the Board. The Board should have a high degree of clarity regarding how this process will be conducted each year.

A number of approaches can emerge in establishing the process. The key factors are listed below.

1. The evaluation year must be established (one year within which the performance will be judged)
2. Creating a set schedule within which the process is administered
3. Developing a process for the creation of a set of clear Board goals, expectations and objectives for each appointee.
4. Selecting an evaluation instrument/form.

*-- BHI Management Consulting --
(209)740-6779*

5. Ensuring a process for allowing each appointee to provide input on their annual performance
6. Deciding upon who will facilitate the annual process
7. Outlining the Board's role in each step of the process toward forging a collective evaluation of each appointee's performance
8. Developing the process for providing opportunity for each appointee to hear from the Board both verbally and in writing regarding their performance, then providing the opportunity for the appointee to discuss the performance and participate in the development of goals and expectations for the upcoming evaluation year.
9. Clarifying the process for how the final signatures will be gathered, and who and where these personnel confidential documents will be filed, and who has access, when and under what circumstances. These criteria should be memorialized in Board policy.
10. Establishing clarity on how this evaluation process does or does not have direct bearing on the compensation of each appointee. This could potentially vary with the contract of each appointee.

All of these factors should be addressed in the development of a new Appointee evaluation process. At the outcome of this effort, the Board should create a "*Board Process Guide for Performance Evaluation of District Appointees*". It is the process of creating of the guide that forces start-to-finish thought to be allied to the overall evaluation process. This recommendation is a best practice for the District.

Options exist for the Board as they decide on how to deal with each factor above (1-10), how to construct and administer the process in the initial year and how to administer the process each year after the initial year.

Action options regarding the development of a new appointee performance evaluation process are:

1. Commission the development of the guide mentioned above to a committee of the Board to develop the steps, resulting in a guide document - without assistance.
2. Ask same Board committee to work through the process with assistance from appropriate inside confidential employee. This should not be any employee where their performance is determined by one of the appointees, contracted only to the Board. Instead one of the appointees with appropriate knowledge of such systems may be able to assist the

Board committee.

3. Board committee secure outside assistance to develop the process.

The nuances between the contracts with each appointee is also a consideration for the Board as they decide between options. The differences should be factored in where need be to assure that each appointee is properly evaluated. It is recommended that all of the options above include the development of a “*Board Process Guide for Performance Evaluation of District Appointees*”. With this goal in mind, this effort will be a concentrated, “*once and for all*” effort, and outline the proper steps for this and future Boards. It also forces the professional start-to-finish thought necessary for such an important effort.

It is also recommended that the first year evaluation process using the newly developed Board guide above is facilitated by outside help the first year, thereby providing the facilitated example and providing a running start that the Board needs to assure success of the process developed.

I invite your thoughts or questions on this report and am available to the committee as needed.

Sincerely,



Brent H. Ives, Principal
BHI Management Consulting

12/6/13

Date



Midpeninsula Regional
Open Space District

Board Appointee Evaluation Committee
December 17, 2013

SPECIAL MEETING

BOARD APPOINTEE EVALUATION COMMITTEE

Administration Office – Long Ridge Conference Room
330 Distel Circle
Los Altos, CA 94022

APPROVED MINUTES*

December 17, 2013

I. CALL TO ORDER

Director Cyr called the Special Meeting of the Board Appointee Evaluation Committee (BAE) to order at 3:01 p.m.

II. ROLL CALL

Members Present: Jed Cyr, Cecily Harris, and Larry Hassett

Members Absent: None

Staff Present: General Counsel Steve Abbors, Assistant General Manager Kevin Woodhouse, General Counsel Sheryl Schaffner, and District Clerk Jennifer Woodworth

III. ORAL COMMUNICATIONS

None.

ADOPTION OF THE AGENDA

Motion: Director Hassett moved, and Director Harris seconded a motion to adopt the agenda.

VOTE: 3-0-0

IV. COMMITTEE BUSINESS

Agenda Item #1 – Information on the Board Appointee Evaluation Process (R-13-121)

Assistant General Manager Kevin Woodhouse provided the staff report summarizing the research completed by District staff related to Board appointee evaluation best practices. Mr. Woodhouse outlined various key factors and goals involved in the process as it is developed.

Directors Cyr and Hassett provided a brief summary of their experiences as members of the Board Appointee Evaluation (BAE) Committee and the various processes used to evaluate Board appointees during that time.

*Approved by the Board Appointees Evaluation Committee on April 8, 2014

Mr. Woodhouse inquired if the Committee is interested in creating a written policy related to Board Appointee Evaluations.

The Committee members agreed that they would like to create a policy which would be approved by the full Board of Directors.

Discussion ensued regarding whether the appointees' evaluations should be tied to the District's fiscal year to allow for the appointees to report on accomplishments and budget performance during the previous fiscal year. Committee members and the Board appointees also discussed the possible content of the appointees' report to the Committee to summarize the previous year's significant accomplishments, issues resolved, and goals for the next year.

General Manager Steve Abbors stated that he currently creates a performance plan for himself and would like to see an evaluation process that will allow the BAE Committee to provide periodic feedback on his progress in accomplishing the items contained in the performance plan.

Discussion ensued regarding whether a facilitator should be utilized as part of the appointee evaluation process. The Committee members agreed that a facilitator is not currently required, but the policy should not prohibit the use of a facilitator.

As part of the evaluation process, the District Clerk will schedule BAE Committee meetings, and the Human Resources Supervisor will provide data regarding appointee compensation and recent changes to District staff compensation.

Mr. Abbors suggested implementation of a compensation philosophy for the District regarding salaries for all members of District staff. Brief discussion ensued.

The Committee discussed the next steps for the process stating that staff will return to the Committee in early 2014 with a draft evaluation form, timeline, and policy.

Public hearing opened at 4:15 p.m.

No speakers present.

Public hearing closed at 4:15 p.m.

VI. ADJOURNMENT

The next BAE meeting was not scheduled.

Chair Cyr adjourned the Regular Meeting of the Board Appointee Evaluation Committee at 4:23 p.m.

Jennifer Woodworth, CMC
District Clerk



Midpeninsula Regional
Open Space District

Board Appointee Evaluation Committee
April 8, 2014

SPECIAL MEETING

BOARD APPOINTEE EVALUATION COMMITTEE

Administration Office – Long Ridge Conference Room
330 Distel Circle
Los Altos, CA 94022

DRAFT MINUTES

April 8, 2014

I. CALL TO ORDER

Director Harris called the Special Meeting of the Board Appointee Evaluation Committee (BAE) to order at 2:35 p.m.

II. ROLL CALL

Members Present: Jed Cyr, Cecily Harris, and Pete Siemens

Members Absent: None

Staff Present: General Counsel Steve Abbors, Assistant General Manager Kevin Woodhouse, General Counsel Sheryl Schaffner, District Controller Mike Foster, Human Resources Supervisor Candice Basnight, and District Clerk Jennifer Woodworth

III. ORAL COMMUNICATIONS

None.

ADOPTION OF THE AGENDA

Motion: Director Siemens moved, and Director Harris seconded a motion to adopt the agenda.

VOTE: 3-0-0

IV. COMMITTEE BUSINESS

Agenda Item #1 – Approved the minutes of December 17, 2013

Motion: Director Cyr moved, and Director Siemens seconded a motion to approve the minutes of the December 17, 2013 meeting.

VOTE: 3-0-0

2. Board Appointee Performance Evaluation Process Policy (R-14-69)

Assistant General Manager Kevin Woodhouse provided the staff report summarizing the discussion at the Committee's meeting in December. Mr. Woodhouse outlined the draft policy and timeline of the proposed evaluation process. Mr. Woodhouse explained that the timeline outlined in the draft policy is tied to the fiscal year and reviewed the various milestones included in the draft policy. Finally, Mr. Woodhouse described the next steps to be taken following this Committee meeting

The Committee members made recommendations for changes to the draft policy. Extensive discussion ensued.

The Committee agreed by consensus to the following changes to the draft Board Appointee Performance Evaluation Process policy:

- Move the references to the use of a facilitator/consultant to the end of the policy
- Alter the requirement that follow-up written questions be provided to the appointees within three days to as soon as possible
- Shorten the timeline for the evaluation process to establish the goal of completing the evaluation process within fourth months of the completion of the fiscal year
- Raises will customarily be retroactive to the beginning of the fiscal year, however, this is not a requirement
- Fiscal Year End summary will guide the memorandums from appointees
- Draft appointees' evaluation forms will be provided as a sample but are not required for use by the Board or appointees
- Remove the numerical rating system from the evaluation form but leave the descriptions provided

The Committee directed staff to draft evaluation form for all Board appointees and send to all Committee members for review.

Public hearing opened at 3:58 p.m.

No speakers present.

Public hearing closed at 3:58 p.m.

VI. ADJOURNMENT

The next BAE meeting was not scheduled.

Chair Cyr adjourned the Regular Meeting of the Board Appointee Evaluation Committee at 3:59 p.m.

Jennifer Woodworth, CMC
District Clerk