

Section 4. Performance Evaluations

A. 1. Performance evaluations are important and healthy for an effective council/manager relationship. The City Manager's performance evaluation is an essential tool for promoting more effective decision-making and more responsive government. Therefore, the City agrees to conduct performance evaluations of the City Manager on a continuing basis, in a format acceptable to a majority of the City Council. The City Council shall evaluate the performance of the City Manager within the first month following the anniversary date of each employment year. The purpose of the performance evaluations is to allow Council members to (i) improve communication between the Council and the City Manager; (ii) evaluate whether prior yearly goals set by Council and City Manager have been met and to set new goals and directives for the succeeding year; (iii) provide important feedback to the City Manager; (iv) acknowledge strengths and point out areas for improvement for the City Manager; (v) bring problems into focus and reduce future misunderstanding and conflict; (vi) be fully transparent with the public about overall city performance; and (viii) help clarify roles and responsibilities of both the City Council and the City Manager.

2. The following format for the yearly evaluation is agreed to by both parties:

- * Each member of the City Council shall publicly submit a written evaluation in the format attached to this Agreement as Exhibit B;
- * The City Manager shall publicly submit a written self-evaluation in the format attached to this Agreement as Exhibit B;
- * City Councilors and City Manager shall provide an oral summary of their individual evaluations during a regular City Council meeting and may also meet individually with the City Manager for additional discussion;
- * The City Council shall jointly set improvement goals for the City Manager where necessary based on the compiled category ratings drawn from the written evaluations in addition to other relevant criteria solely determined by City Council;
- * From time to time, the City Council may elect to direct the City Manager to solicit feedback through an independent third party from staff as part of a "Manager Effectiveness Evaluation".

B. It is understood and agreed that if the City Manager receives a positive evaluation from the Council, the City Manager may receive a salary or benefit increase, but any such increase is solely within the discretion of the Council, approved at a public meeting.

C. The evaluations specified in Section 4(A) shall be based upon: (i) the City Manager's performance of the duties specified in Section 1 and Exhibit A; (ii) the City Manager's achievements of the City Council's policy directives; (iii) the City Manager's completion of appropriate professional development programs, as applicable, and (iv) the criteria listed in Section 4(A)(2). The failure to conduct an annual evaluation shall not constitute a material breach of this Agreement.