

Citywise

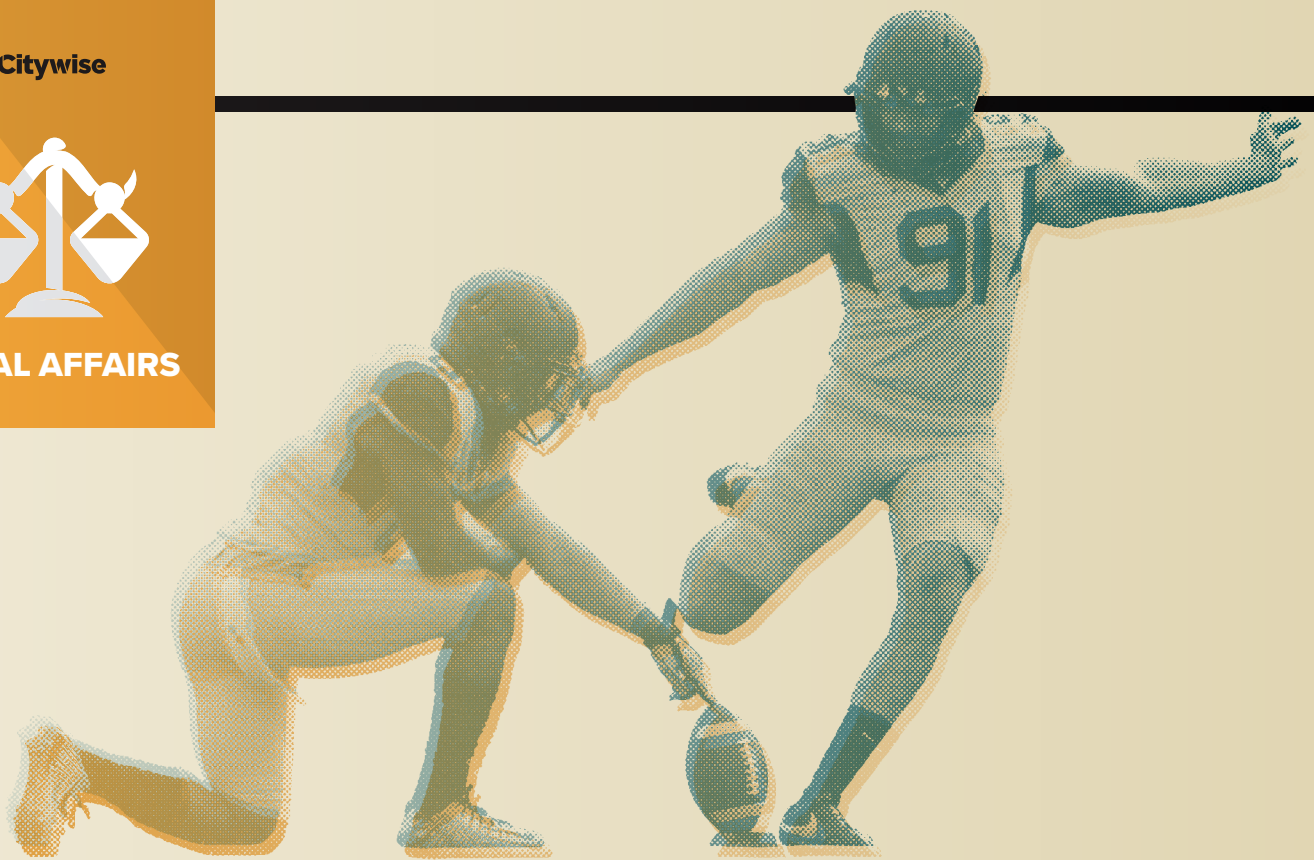
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The most valuable employees approach every day as a starting line instead of a finish line, seeking fresh ways to contribute to the organization’s mission.

— CITY 101 P.26 ▶



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ROLE REHEARSAL

On the effective functioning of council-manager governments

PAUL SULLIVAN MUNICIPAL RESEARCH & SERVICES CENTER

THERE ARE MORE THAN **50 CITIES** in Washington operating under the council-manager form of government.

Each has a city manager who works for, and with, a city council. What is the role of a city manager as it relates to a city council? What can a city manager do that a council cannot? And what can a council do but a city manager cannot?

The nature of a city council is probably understood, but what exactly is a city manager? In a sense, the manager has similar duties to those of a mayor in a mayor-council city. But whereas a mayor is elected, the city manager is not; he or she is selected by, and can be removed by, the city council. A city manager is a professional, typically with specialized education, training, and experience in municipal issues. The manager supervises the day-to-day operation of the city government,

implements policy decisions, and may assist the council in the development of new programs. The city council, on the other hand, is the city's legislative branch and policymaker. So the council and the manager have separate but connected roles, both instrumental to the city's operation and success.

Problems between the manager and the council typically arise out of confusion over the distinct roles that each fills. For example, a councilmember may ask the clerk to prepare a comparison of the city's revenues over the past five years, taking the clerk away from assigned work requiring attention. The manager may place a controversial issue on the council's agenda, giving notice to the public, before the council is prepared to consider it. The manager may refuse to provide a record requested by a councilmember, arguing that the record really isn't needed by the

council. Or the council may insist that the manager discipline or terminate an employee who has received complaints from the public.

In other words, when the roles get blurred or improperly exercised, inconsistent with law, there can be problems! So, what are the proper roles of each?

PROBLEMS BETWEEN THE MANAGER AND THE COUNCIL TYPICALLY ARISE OUT OF CONFUSION OVER THE DISTINCT ROLES THAT EACH FILLS.

The city council has authority to create positions necessary to carry out the city's programs and responsibilities. Although the city manager may offer suggestions, it is the council that creates positions and sets the salaries, wages, and benefits for each. The council may also set the qualifications needed to be hired into a position, and, if it does, the manager uses them to make his or her selection. If the council has the power of confirmation, it may confirm the manager's selections, so



long as no qualifications have been adopted for a particular position. If the person selected by the manager is not confirmed, a new selection is made, and the confirmation process begins anew. (If qualifications have been adopted, the person selected is not subject to confirmation.) Once the workforce is in place, the manager has the sole authority to supervise, set work assignments, discipline, or terminate employees, all without council involvement.

While the city council may offer suggestions to the manager on how the daily operation of the city should be handled, operational duties are administrative and exclusively under the manager's control. The council has no authority to give orders to staff, and in fact, contact with staff should occur through the city manager, except at council meetings (a requirement that may not be totally realistic).

While the city manager may offer policy suggestions for the city, it is the council that determines which policies it will adopt, as those decisions are legislative in nature and are solely under its authority. Perhaps the most

important policy decision a council makes is the adoption of the city's budget. By statute, the city manager prepares the preliminary budget and provides it to the council; the council reviews the proposals, conducts hearings, makes revisions it determines appropriate, and then makes its final decision by ordinance. The council's decision is not subject to veto, since the manager does not possess authority to veto any ordinance, unlike mayors in mayor-council cities. After a budget has been adopted, the manager periodically reports to the council on whether revenues and expenses are consistent with projections and if any amendments are needed.

The city manager oversees implementation of the budget, although the council continues to have an important role in its operation. If a contract is needed to carry out a program, such as for supplies, equipment, or professional services, the council must approve the contract, whether it be for the purchase of a box of paper clips or the construction of a building. Typically, the council will delegate some contracting authority to

the manager to reduce its involvement in more routine matters and will place limits on the value or nature of the contracts the manager may approve. (The council can, of course, revoke its delegation, if it so chooses.) The council's role in the contracting continues even after a contract has been signed: payment requires that the council satisfy itself that the expenditure was contemplated by the budget, money is available, and the work has been performed as contemplated and is complete.

Governing is not easy. Sometimes it is not clear whether an action belongs to the council or to the manager. But if the council and the manager recognize and abide by their respective roles, conflict can be better avoided, goals better accomplished, and the public better served. **C**

Paul Sullivan, a legal consultant with MRSC, has served as Ellensburg's city attorney and was an assistant city attorney for Vancouver; he also was twice employed as a staff member with the Seattle City Council.

Task Masters

For city managers and city councils to work effectively on behalf of their communities, each should adhere to their allotted functions.

MANAGER	COUNCIL
Supervises the day-to-day operations and implements policy decisions	Legislative branch and policymaker
Supervises, sets work assignments for, disciplines, or terminates employees	Creates positions and sets the salaries, wages, and benefits for each
Offers policy suggestions for the city	Determines which policies it will adopt
Prepares the preliminary budget	Adopts the city's budget
Periodically reports to the council on whether revenues and expenses are consistent with projections and if any amendments are needed	Reviews the proposals, conducts hearings, makes revisions it deems appropriate, and then makes its final decision by ordinance
Oversees implementation of the budget	Approves contracts





Due Dates

Cities considering this revenue source should mind the following additional timelines:

- The Department of Revenue (DOR) requires 30 days' notice of adoption of sales tax credits. The credit will take effect on the first day of the month following the 30-day period.
- If your city is adopting a qualifying local tax, DOR requires 75 days' notice of adoption of sales tax increases. Local sales tax increases may take effect only on the first day of the first, second, or third quarter.
- If your city is adopting a qualifying local tax, remember to factor in the ballot measure process into the timeline, as these must be approved by voters.
- If you are intending to bond the revenues for a project under this authority, check with counsel about other deadlines that may apply.

HOUSE MONEY

On HB 1406 and its potential to increase cities' funding for housing

JON JURICH PACIFICA LAW GROUP

■ **BASICS.** The recently enacted HB 1406 provides cities and counties with a new 20-year revenue source to combat housing issues without adding a new tax at the register. Instead, a slice of the state sales and use tax will be returned to cities and counties that (i) adopt a resolution stating their intention to levy the new tax before January 31, 2020, and (ii) formally enact via ordinance the sales and use tax authorized by HB 1406 before July 27, 2020.

Governments can use the funds to buy, build, and rehabilitate affordable housing (including adaptive reuse and supportive housing facilities); to pay operating and maintenance costs on new units of affordable or supportive housing; and (except for certain large cities and counties) to provide rental assistance. The funds must benefit households earning no more than 60 percent of area median income for the jurisdiction.

The amount of funds available to a jurisdiction will depend on several factors, including whether a city has a "qualifying local tax" and how much overlap may exist between cities and counties imposing the new tax. Generally, however, the tax will be either 0.0146 percent or 0.0073 percent of taxable sales for the jurisdiction (with a cap based on the taxable sales for the jurisdiction during the state fiscal year ending June 30, 2019) and can be imposed for 20 years. The tax receipts may also be pledged as a repayment source for bonds.

■ **NEXT STEPS.** Cities and counties should move quickly to adopt the resolution and ordinance by the deadlines. Cities should also consider whether it makes sense to seek to pass a qualifying local tax before July 31, 2020, in order to double the sales tax receipts they are eligible to

collect. For other timing considerations that may apply in certain circumstances, see the details in "Due Dates" at left.

In addition, cities and counties should evaluate whether to pool receipts through interlocal agreements to maximize impact. Interlocal agreements can also help participants pledge tax collections to bonds and allocate collected taxes to

LOCAL OFFICIALS MAY WANT TO COLLABORATE WITH LOCAL HOUSING AUTHORITIES OR STATEWIDE HOUSING AGENCIES, SUCH AS THE WASHINGTON STATE HOUSING FINANCE COMMISSION, TO HELP DEPLOY THE FUNDS.

authorized affordable housing projects. Local officials may want to collaborate with local housing authorities or statewide housing agencies, such as the Washington State Housing Finance Commission, to help deploy the funds.

City officials should also keep an eye on developments from the Department of Revenue, which will administer the program (at no cost to the cities) and will be providing further guidance, and the Department of Commerce, which will write rules as to the reporting requirements. [C](#)

Jon Jurich is a partner at Pacifica Law Group in Seattle. He concentrates his practice in public finance and general municipal law, with an emphasis on nonprofit and affordable housing issues.





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SCHOOL OF ROCK

Lessons on rock stars, the rock-solid, and ROCKS

PATRICK IBARRA THE MEJORANDO GROUP

Star Search

In order to get the most out of your organization's workforce, reassess your tools for attracting and nurturing the most influential employees. Here are some key elements to consider:



Hiring and Promotion

- Seek out lifelong learners
- Emphasize healthy attitudes
- Look beyond credentials



Performance Appraisals

- Align appraisals with job descriptions and actual duties
- Promote quality supervisory feedback
- Require self-assessments



Workplace Culture

- Enforce accountability
- Encourage creativity
- Clarify mission, vision, and values

IN ORDER TO build stronger, more vibrant communities, municipal leaders, whether appointed or elected, seek proven ways to maximize the performance of their employees. Far and away the most influential factor in the success of employees, municipal and otherwise, is their attitude toward their role at work.

The most valuable employees approach every day as a starting line instead of a finish line, seeking fresh ways to contribute to the organization's mission. I refer to these types of employees as your "rock stars." Like the original rock stars (those in the music biz), who have adapted to changing trends among the listening public without losing their taste compass, municipal rock stars know how to prioritize the evolving needs of their communities while adhering to a foundation of ethics and equity. They push every day to move their cities' bell curve to the right (i.e., higher performance).

Unfortunately, most organizations reward these rock stars with more work! The unintended consequence is that your organization's rock stars can feel overworked and neglected, and they may even run out of fuel entirely. Make no mistake about it: your rock stars are self-starters, are highly motivated, and serve as the primary drivers of your organization's success. They would definitely benefit from more positive attention and support.

Two other types of employees are what I refer to as "rock-solid" and ROCKS. The rock-solid are those who arrive at work every day committed to doing their very best and are often the backbone of the organization, but they also are often no more than cautiously optimistic about any changes coming down the pike—you know, those changes launched in the name of improving organizational effec-

tiveness. They may not always be overly ambitious, in other words, but they are rock-solid performers nonetheless.

Finally, there are those employees whom I refer to as ROCKS, an acronym I've coined that means Resisting the Opportunity to Change one's Knowledge and Skills. Some employees quit and leave, whereas ROCKS quit and stay. Their bad morale is contagious, and worse still, low-morale people like ROCKS are always seeking new recruits. These employees seek to move the organization's bell curve to the left, dragging down performance and effectiveness.

REMEMBER: WHATEVER YOU TOLERATE, YOU ADVOCATE.

What frustrates rock stars is how leaders will accept ROCKS as members of the workforce. Remember: whatever you tolerate, you advocate. Rock star employees often have to compensate for the work ROCKS aren't accomplishing. On the other hand, rock stars will often welcome the challenge of helping an organization get the most out of its rock-solid employees.

In short, attracting the right kinds of employees can help cities maximize performance and optimize service levels. Here are three key ways to hire, develop, and retain more rock stars:

- Revise your hiring and promotional processes. Explore deeper the intangibles that influence performance. Credentials don't always translate to competence; if you've ever made a bad hire, you know what I mean. Refresh your job announcements so you emphasize possessing a healthy attitude as a difference-maker. Revise your interview questions with a stronger focus on candidates' and employees'



desire to learn. Ask: “What did you learn last year?” Rock stars are curious, always dreaming up new ways of doing things, and think of themselves as possessing a mind like “wet clay” instead of clay pots.

■ Fix your performance appraisal process. Ensure that the appraisal instrument is aligned with the job description and with the work employees actually complete every day. Remarkably, those three factors—job description, performance appraisal, and the daily work—often aren’t aligned, which undermines the prioritization of mission-critical work. Beyond the instrument, equip supervisors, managers, and leaders with the requisite

skills and capabilities to provide timely, accurate, and meaningful feedback to their employees. Require self-assessments from each employee as part of the process.

■ Reinforce that rock stars are the visible, vocal advocates of the preferred workplace culture. Indeed, these employees are the champions of change, operationalizing the mission, vision, and values to enable your organization and community to reach their full potential. As professional, collegial employees who traffic in trust and build healthy relationships, rock stars value individual accountability and expect their organization’s leaders to be vigilant in ensuring that it exists.

The best days for your organization and your community are in front of them. Your rock stars are symbols of this mind-set and commit themselves daily to building a stronger community. They’re energized by the mission and purpose of local government. Today, people aren’t looking for jobs, they’re looking for meaning—and local government is in the meaning business. If city leaders set the stage for them, your municipal rock stars will shine. **C**

Patrick Ibarra, a former city manager, operates the Mejorando Group, an organizational effectiveness consulting practice with clients throughout the state of Washington.



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