Briefing for PWSRCAC Board of Directors – September 2026

ACTION ITEM

Sponsor: Hans Odegard, Donna Schantz, and the Board Governance Committee

Project number and name or topic: Executive Director Annual Evaluation Policy 621 Update

1. **Description of agenda item:** At its July 28, 2026 meeting, the Board Governance Committee (BGC) discussed Executive Director Annual Evaluation Policy 621. This policy update was originally brought up during an executive session back in March, during the Executive Director's evaluation, where the Board wanted more flexibility on contract renewal length, up to three years.

From there, suggested improvements to Policy 621 grew into a broader set of proposed revisions intended to streamline the policy and clear up some confusion related to timing and expectations that had come up in the past, not just the renewal term. For example, with these proposed changes, the development of any new long- or short-term goals for the Executive Director coincides with the special Board meeting in March where evaluation results are delivered, rather than in January as under the original policy. An explanation is also included that describes how long-term goals may be incorporated into the Executive Director's job description, while short-term goals may standalone.

2. **Why is this item important to PWSRCAC:** The annual evaluation of the Executive Director, along with a clear explanation of the evaluation process the Board is to follow, is critical to the success of the organization.

3. **Previous actions taken by the Board on this item:**

Meeting	Date	Action
Board	9/16/05	Approved Executive Director Compensation Policy that included a process for annual reviews (Policy 621).
Board	9/20/12	Approved amendments to Policy 621 and renamed it Executive Director Annual Evaluation Policy that refined the timing, schedule, and Board member obligations surrounding evaluation process.
Board	9/19/19	Approved amendments to Policy 621 Executive Director Annual Evaluation Policy.

4. **Summary of policy, issues, support, or opposition:** Policy 621 outlines the process and schedule for evaluating the Executive Director. Because the proposed changes are more extensive than a routine update, BGC reviewed the proposed changes before advancing it to the Board, consistent with their charter to "recommend any changes it deems appropriate related to Board structure or operations."

5. **Committee Recommendation:** BGC recommends that the proposed changes to Executive Director Annual Evaluation Policy 621, be brought to the Board for approval at

the September 2026 Board meeting. This was the only action item on BGC's July 28 agenda, and the committee's recommendation was approved unanimously via email poll.

6. **Action Requested of the Board of Directors:** Approve the proposed changes to Executive Director Annual Evaluation Policy 621 as presented.

7. **Attachments:**

Attachment A: Proposed Redline Changes to Policy 621
Attachment B: Current Approved Policy 621
Attachment C: Clean Copy of Policy 621 with Proposed Redlines Accepted

Proposed Redline Changes to Policy 621

621 - Executive Director Annual Evaluation Policy: The full Board hires and retains the Executive Director (ED) through an employment agreement. The term of the agreement is to be decided upon by the Board ranging from one year to no more than three years ~~extended annually for a period of one year~~, provided the ED receives a satisfactory evaluation by the Board.

The following schedule is designed to support the annual evaluation ~~To support this~~ process:

- January: At the regular January meeting, the Board may choose to delegate evaluation authority to the Executive Committee. ~~shall develop and revise ED performance goals annually for consideration and acceptance by the full Board at the January meeting. The Board may choose to delegate evaluation authority to the Executive Committee, although any recommended salary or other action resulting from the evaluation shall remain with the full Board.~~
- February: The Board Secretary will collect input and distribute evaluation materials to the Board (or Executive Committee) ~~annually in February~~ and will provide results prior to a special meeting of the Board held annually in March.
- March: At a special meeting, the Board discusses and delivers ~~to discuss and deliver~~ the appraisal with the ED. The Board may also identify any new long or short term goals for the coming year(s), if needed. Long term goals may be incorporated into the ED job description while short term goals may standalone. The full Board retains final authority over evaluation results, compensation, performance goals, and any related actions. The Director of Administration is responsible for keeping employer records of the annual ED evaluation process.

Annual reviews are conducted ~~The Board (or Executive Committee) will conduct annual reviews every March~~ so that the results may be used to calculate appropriate salary adjustments prior to the upcoming year's budget approval (any such salary adjustments are dependent on PWSRCAC budget and funding constraints). ED performance will generally be characterized in terms of meeting or failing to meet Board performance expectations, which includes the job description and any special goals that may have been established on a scale of 1 to 5 as follows:

1 “Unsatisfactory” - Frequently fails to meet expectations
2 “Needs some improvement” - Occasionally fails to meet expectations
3 “Satisfactory” - Consistently meets expectations
4 “Very Good” - Occasionally exceeds expectations
5 “Excellent” - Consistently exceeds expectations.

For agreement renewal purposes, a “satisfactory” evaluation will generally mean an overall rating of 3 or higher, unless the Board determines otherwise based on the full context.

If the ED receives a less than satisfactory evaluation overall, the Board will give a period of time (up to four months) for the ED to improve performance, including the establishment of clear performance expectations and a follow-up review by the Board, after ~~following~~ which the Board will decide on extending the ED ~~contract~~ agreement.

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CURRENT POLICY Date approved: 9/19/2019

621 - Executive Director Annual Evaluation Policy: The full Board hires and retains the Executive Director (ED) through an employment agreement. The term of the agreement is extended annually for a period of one year, provided that the ED receives a satisfactory evaluation by the Board

To support this process, the Executive Committee shall develop and revise ED performance goals annually for consideration and acceptance by the full Board at the January meeting. The Board may choose to delegate evaluation authority to the Executive Committee, although any recommended salary or other action resulting from the evaluation shall remain with the full Board. The Board Secretary will collect input and distribute evaluation materials to the Board annually in February and provide results prior to a special meeting of the Board held annually in March to discuss and deliver the appraisal with the ED. The Director of Administration is responsible for keeping employer records of the annual ED evaluation process. The Board (or Executive Committee) will conduct annual reviews every March so that the results may be used to calculate appropriate salary adjustments prior to the upcoming year's budget approval (any such salary adjustments are dependent on PWSRCAC budget and funding constraints). ED performance will generally be characterized in terms of meeting or failing to meet Board performance expectations which includes the job description and any special goals that may have been established on a scale of 1 to 5 as follows:

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CLEAN VERSION WITH PROPOSED TRACK CHANGES ACCEPTED (Updated 5/29/26)

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