

MONTEREY COUNTY WATER RESOURCES AGENCY
AND MANAGEMENT PARTNERS
AGREEMENT FOR SERVICES

This is a multi-year agreement between the Monterey County Water Resources Agency, hereinafter called "Agency," and Management Partners,
a n Ohio Corporation located at 1730 Madison Road, Cincinnati, OH 45206,
hereinafter called "CONTRACTOR".

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. Employment of Contractor. Agency hereby engages CONTRACTOR, and CONTRACTOR hereby agrees to perform the services set forth in Exhibit A, in conformity with the terms of this Agreement. CONTRACTOR will complete all work in accordance with the **Scope of Work/Work Schedule set forth in Exhibit A:**

The scope of work is briefly described and outlined as follows:

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Facilitate Strategic Planning Phased Process

The CONTRACTOR shall perform its services under this agreement in accordance with usual and customary care and with generally accepted practices in effect at the time the services are rendered. The CONTRACTOR and its agents and employees performing work hereunder are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required by this Agreement.

- (b) CONTRACTOR, its agents and employees shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
- (c) CONTRACTOR shall furnish, at its own expense, all materials and equipment necessary to carry out the terms of this Agreement, except as otherwise provided herein. CONTRACTOR shall not use Agency premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations hereunder.

2. Term of Agreement. The term of this Agreement shall begin upon execution of this Agreement by CONTRACTOR and Agency, and will terminate on June 30, 2020, unless earlier terminated as provided herein.

3. Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay to CONTRACTOR the amounts provided in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is Ninety Seven Thousand Three Hundred dollars (\$97,300.00).

4. Monthly Invoices by CONTRACTOR; Payment.

- (a) CONTRACTOR shall submit to Agency an invoice, in a format approved by Agency, setting forth the amounts claimed by CONTRACTOR, together with an itemized basis for such amounts, and setting forth such other pertinent information Agency may require. CONTRACTOR shall submit such invoice monthly or as agreed by Agency, but in no event shall such invoice be submitted later than 30 days after completion of CONTRACTOR's work hereunder. Agency shall certify the claim if it complies with this contract and shall promptly submit such claim to the Monterey County Auditor-Controller, who shall pay the certified amount within 30 days after receiving the invoice certified by Agency. It is understood and agreed that CONTRACTOR shall complete all work described in Exhibit A for an amount not exceeding that set forth above, notwithstanding CONTRACTOR's submission of periodic invoices.
- (b) CONTRACTOR agrees that Agency may withhold ten percent (10%) of the amount requested by CONTRACTOR from any progress payment, until such time as all goods and services are received in a manner and form acceptable to Agency.
- (c) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.
- (d) CONTRACTOR shall not be reimbursed for travel expenses unless expressly stated in this Agreement.

5. Indemnification CONTRACTOR shall indemnify, defend, and hold harmless the Agency and the County of Monterey, their officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or

connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence, active negligence, or willful misconduct of the Agency. CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subCONTRACTORS.

6. Insurance.

6.1 Evidence of Coverage:

Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the Agency's Contact, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the Agency. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

6.2 Qualifying Insurers:

All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

6.3 Insurance Coverage Requirements:

Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent CONTRACTORS, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

☐ Exemption/Modification (Justification attached; subject to approval).

6.4 Other Insurance Requirements.

All insurance required by this Agreement shall be with a company acceptable to the Agency and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the Agency shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subCONTRACTOR, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subCONTRACTOR showing each subCONTRACTOR has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the Monterey County Water Resources Agency and the County of Monterey, their officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County

and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the Agency, CONTRACTOR shall file certificates of insurance with the Agency's contract administrator, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Agency, annual certificates to Agency's Contract Administrator. If the certificate is not received by the expiration date, Agency shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles Agency, at its sole discretion, to terminate this Agreement immediately.

7. Maintenance of Records. CONTRACTOR shall prepare, maintain and preserve all reports and records that may be required by federal, State, and local rules and regulations relating to services performed under this Agreement. CONTRACTOR shall retain all such records for at least five years from the date of final payment, or until any litigation relating to this Agreement is concluded, whichever is later.

8. Right to Audit at Any Time. Agency officials shall have the right, at any time during regular working hours and on reasonable advance notice, to examine, monitor and audit all work performed and all records, documents, conditions, activities and procedures of CONTRACTOR or its subCONTRACTORS relating to this Agreement. Government Code Section 8546.7 provides that an audit by the State Auditor General may be performed up to three years after the final payment under any contract involving the expenditure of public funds in excess of \$10,000.

9. Confidentiality; Return of Records. CONTRACTOR and its officers, employees, agents, and subCONTRACTORS shall comply with all federal, State and local laws providing for the confidentiality of records and other information. To the extent permitted by applicable law and regulations, CONTRACTOR shall maintain confidentiality with respect to Agency's well database and other water use data.

CONTRACTOR shall not disclose any confidential information received from Agency or prepared in connection with the performance of this Agreement without the express permission of Agency. CONTRACTOR shall promptly transmit to Agency all requests for disclosure of any such confidential information. CONTRACTOR shall not use any confidential information gained through the performance of this Agreement except for the purpose of carrying out CONTRACTOR's obligations hereunder. When this Agreement expires or terminates, CONTRACTOR shall return to Agency all records, which CONTRACTOR utilized or received, from Agency to perform services under this Agreement.

10. Termination. Either party may terminate this Agreement by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination, which date shall be specified in any such notice. In the event of such termination, the amount payable hereunder shall be reduced in proportion to the services provided prior to the effective date of termination. Agency may terminate this Agreement at any time for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes, without limitation, the failure of CONTRACTOR to perform the required services at the time and in the manner provided herein. If Agency terminates this Agreement for good cause, Agency may be relieved of the payment of any consideration to CONTRACTOR, and Agency may proceed with the work in any manner, which it deems proper. Costs incurred by Agency thereby shall be deducted from any sum due CONTRACTOR.

11. Amendments and Modifications. No modification or amendment of this agreement shall be valid unless it is set forth in writing and executed by the parties.

12. Non-Discrimination. Throughout the performance of this Agreement, CONTRACTOR will not unlawfully discriminate against any person because of race, color, religion, gender, national origin, ancestry, physical disability, medical condition, marital status, age older than 40, or sexual orientation, gender identity or any other status protected under federal, state or local law, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR shall comply fully with all federal, State and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to any target population designated herein shall not be deemed prohibited discrimination.

13. Independent Contractor. In its performance under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not an employee of Agency. No offer or obligation of employment with Agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from Agency any form of benefits accorded to employees including without limitation leave time, health insurance, workers compensation coverage, disability benefits, and retirement contributions. CONTRACTOR shall be solely liable for and

obligated to pay directly all applicable taxes, including without limitation federal and State income taxes and social security arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold harmless Agency from any and all liability, which Agency may incur because of CONTRACTOR's failure to make such payments.

14. Delegation of Duties; Subcontracting. CONTRACTOR is engaged by Agency for its unique qualifications and abilities. CONTRACTOR may not, therefore, delegate any of its basic duties under this Agreement, except to the extent that delegation to CONTRACTOR's employees is contemplated herein. No work shall be subcontracted without the written consent of Agency, except as provided in this Agreement or its attachments. Notwithstanding any subcontract, CONTRACTOR shall continue to be liable to Agency for the performance of all work hereunder. CONTRACTOR shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Agreement without Agency's prior written consent.

15. Agency's Rights in Work Product. All original materials prepared by CONTRACTOR in connection with its work hereunder -- including but not limited to computer codes, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic negatives -- shall be the property of Agency and shall be delivered to Agency prior to final payment. CONTRACTOR may utilize any existing materials developed by CONTRACTOR prior to commencement of work under this Agreement, which materials shall remain the property of CONTRACTOR.

16. Compliance with Terms of Federal or State Grant. If any part of this Agreement has been or will be funded pursuant to a grant from the federal or State government in which Agency is the grantee, CONTRACTOR shall comply with all provisions of such grant applicable to CONTRACTOR's work hereunder, and said provisions shall be deemed a part of this Agreement as though fully set forth herein.

17. Conflict of Interest. CONTRACTOR warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.

18. Governing Laws. This Agreement is entered into in the County of Monterey, State of California, and shall be construed and enforced in accordance with the laws of the State of California. The parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.

19. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

20. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code Section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.

21. Waiver. Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.

22. Successors and Assigns. This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.

23. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contractor's behalf in the performance of this Agreement.

24. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

25. Time is of the Essence. The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.

26. Contract Administrators.

CONTRACTOR's designated principal responsible for administering
CONTRACTOR's work under this Agreement shall be

Jan Perkins

Agency's designated administrator of this Agreement shall be

David E. Chardavoyne

27. Notices. Notices required under this Agreement shall be delivered personally or by electronic facsimile, or by first class or certified mail with postage prepaid. Notice shall be deemed effective upon personal delivery or facsimile transmission, or on the third day after deposit with the U.S. Postal Service. CONTRACTOR shall give Agency prompt notice of any change of address. Unless otherwise changed according to these notice provisions, notices shall be addressed as follows:

TO AGENCY
Name: David E. Chardavoyne
Address:

1441 Schillings Pl., Salinas, Ca 93901

Telephone: 831-755-4860

Fax:

E-Mail: chardavoyne@monterey.ca.us

TO CONTRACTOR
Name: Jan Perkins
Address:

3152 Red Hill Ave., Ste. 210, Costa Mesa, CA 92626

Telephone: 408-437-5400

Fax:

E-Mail: jperkins@managementpartners.com

28. Electronic Deliverables. Where feasible, all reports, documents and other printed information provided to the Agency pursuant to this Agreement shall be submitted in both written and Electronic formats in accordance with the specifications listed in Exhibit C.

29. Non-exclusive Agreement. This Agreement is non-exclusive and both parties reserve the right to contract with other entities for the same or similar services.

30. Execution of Agreement. Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

31. Exhibits. The following Exhibits are attached hereto and incorporated by reference:

Exhibit A - Scope of Work/ Work Schedule

Exhibit B -

Exhibit C -

32. Entire Agreement --As of the effective date of this Agreement, this document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.

MONTEREY COUNTY WATER RESOURCES AGENCY
AND MANAGEMENT PARTNERS
AGREEMENT FOR SERVICES

IN WITNESS WHEREOF, AGENCY and CONTRACTOR execute this agreement as follows:

**MONTEREY COUNTY WATER
RESOURCES AGENCY:**

BY: David E. Chardavoyne

David E. Chardavoyne
General Manager

Date: 14 June 2018

CONTRACTOR:

BY: Gerald E. Newfarmer

Type Name: Gerald E. Newfarmer
Title: President and CEO

Date: 5/22/18

BY: Amy C. Paul


Type Name: Amy C. Paul
Title: Vice President and Treasurer

Date: 5/22/18

* INSTRUCTIONS: If CONTRACTOR is a corporation (including limited liability and nonprofit corporations), the full legal name of the corporation shall be set forth together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth together with the signature of a partner with authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of his or her business, if any, and shall personally sign the Agreement.

(_____)
Agreement/Amendment No # (_____)

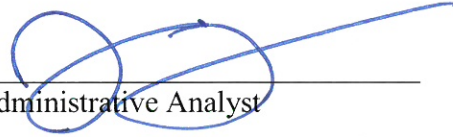
Approved as to form ¹:



Deputy County Counsel

Dated: 6.5.18

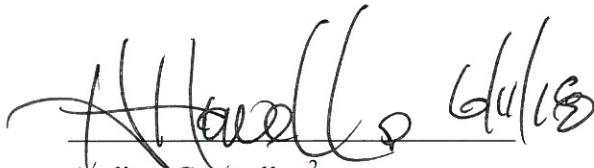
Approved as to fiscal provisions:



Administrative Analyst

Dated: 6-11-18

Risk Management:



Auditor-Controller ²:

Dated: _____

Dated: _____

¹ Approval by County Counsel is required, and/or when legal services are rendered

² Approval by Auditor-Controller is required

Exhibit A
Scope of Services
Management Partners

The Monterey County Water Resources Agency has requested the services of Management Partners to Facilitate the Strategic Planning Process.

Management Partners will provide the following services for the Monterey County Water Resources Agency Strategic Planning:

Confidential online employee survey

The confidential online employee survey is the first component of the larger Strategic Planning Phased process. There are two primary activities involved in this component:

Activity 1: Prepare and Deploy Survey

This project will begin by discussing the survey to ensure all intentions are fully understood. Pertinent information about the agency will be sought after to prepare a draft survey for review. After the survey has been reviewed and finalized, a link will be sent to Agency staff.

Activity 2: Analyze Survey Data and Report Results

Upon completion of the survey, Management Partners will analyze the results and prepare a report complete with graphs and tables. Once the report is delivered, Management Partners will be available to answer any questions.

This component of the process was approved on March 5, 2018 and will cost \$6,800.00.

Phase One Results – Resource and Organization Assessment

The deliverables for phase one will include the following components and commence with a separate notice to proceed date:

1. Inventory of Agency programs and projects, with the following information for each program and project:
 - » Description, objective(s), success measures, timeline and key milestones;
 - » Cost estimate, funding sources, projected available funds and gap; and
 - » Current and projected staffing needs.
2. Definitions of terminology so Agency staff and the Board of Directors will have a consistent language for the strategic plan, starting with the phase one work.
3. Summary of gap analysis and input on strategic challenges facing the Agency, including those pertaining to the Groundwater Sustainability Agency and other challenges that will be identified through the phase one input process.
4. Results of benchmarking with peer agencies on staffing, organization structure, budgets and other data points.
5. Recommendations for changes to the organizational structure, staffing, employee development and succession planning, management systems and technology, policies and procedures, Board of Directors/staff effectiveness, performance evaluation process for the General Manager, and alternative service delivery options.
6. Description of methods to address deferred maintenance, including best practices for

funding and staffing different levels of maintenance: preventive, predictive and a capital asset management program (CAMP) for upgrades, repairs and replacements of all capital facilities, with annual reserve funds for sustaining the CAM

7. Recommendations for further analyses needed to inform the strategic plan and implementation business plan.

Phase Two Results – Strategic Plan and Implementation Business Plan

Note: This is a draft list, to be refined upon completion of phase one and a detailed scoping of phase two.

The deliverables for phase two will include the following components and commence with a separate notice to proceed date:

1. Summary of input from constituents regarding strategic challenges and expectations of the Agency.
2. Updated program and project inventory based on input from constituents about expectations of the scope of work for the Agency, Groundwater Sustainability Agency and other programs and projects to be identified through the phase two input process.
3. Strategic plan that contains a vision, mission, values, long-term goals and strategies for achieving the goals.
4. Implementation business plan that includes a financial plan, staffing plan, timelines, milestones, success measures, methods to report on progress, and schedule for updating the strategic plan.
5. Recommendation for communicating the strategic plan and implementation business plan.
6. Analysis of alternative service delivery options that may have been identified in phase one.
7. Other elements to be included once the scope of work for phase two is prepared.

Activity 1 – Start Project and Conduct Kickoff Meeting We will begin this project by meeting with Agency staff and members of the Board’s Planning Committee to discuss the details of the project approach and execution. The start-up meeting is the occasion to refine the plan of work to ensure matters of interest are included in the review and that the project schedule is reasonable and melds well with other staff commitments. This activity will form the basis of the partnership between Management Partners and the Agency.

It will also be important to introduce this initiative to Agency staff properly to ensure a good start. We suggest a meeting with program managers to discuss the purpose of the study and the approach we will use as well as to hear their questions about the study.

Activity 2 – Gather Information and Prepare Detailed Materials

Next, we will gather information and prepare a variety of detailed materials in the following six tasks.

1. ***Obtain Agency information.*** We will request a variety of information that includes the following, as available:
 - » Agency budget;
 - » Staffing details (including current vacancies and five years of authorized positions);

- » Organization chart(s);
 - » Written plans for technology improvements;
 - » Written policies and procedures, tracking and workflow documents;
 - » Written procedure for current performance evaluation process for General Manager; and,
 - » Other information that will be helpful in providing background context for the phase one resource and organizational assessment.
2. **Conduct interviews.** We will conduct approximately 12 interviews. These will be with you, the Board Chair and Planning Committee members, the deputy general managers and senior Agency staff. The interviews will be important in gaining an understanding of the operations, challenges, and capacity to meet service level expectations, and opportunities for improvement.
3. **Refine program and project inventories with clear objectives and milestones.** This task will build on the significant work done by staff in preparation for the November 2017 strategic planning retreat, which documented the Agency's programs and projects. Through that work, Agency staff members listed approximately 40 projects and programs.

Management Partners will allocate significant time to working closely with Agency staff in creating a program and project inventory, which will include the following components:

- » Document the programs and projects that are funded and those that should be carried out but are not funded.
- » Document the staffing needed for these funded and unfunded programs and projects.
- » Prepare program or project descriptions, measurable objective statements, milestones and success indicators.
- » Review and refine the budgetary projections, including shortfalls and potential funding sources.

Management Partners understands that the level of effort for the November 2017 document was significant and this next iteration will also be time-intensive, which is challenging in a lean staffing environment.

Our work plan calls for our consulting team members to meet individually with program managers as we prepare these inventories with Agency staff's expertise in their programs and projects. We will carry out the following steps:

- » *Prepare materials.* Create a workbook containing guidelines, terminology, forms/spreadsheets to be used in refining the inventories of Agency programs and projects prepared by staff for the November 2017 retreat.
- » *Convene meeting.* Meet with senior staff and program managers to explain the desired outcome of this exercise, review the workbook and guidelines, and answer questions.

- » *Meet individually with staff.* Assist Agency managers in developing descriptions, measurable objectives, success indicators and milestones for each program and project. Meet with each program manager to aid in completing this task. We are estimating 40 programs and projects will be defined through this inventory task. Each will require individual attention to develop objective statements, milestones, success indicators, staffing, and estimated cost.
 - » *Prepare drafts.* Prepare a draft of the program and project inventory for each program manager to review for accuracy. Revise based on input and present updated draft to senior staff to review.
 - » *Finalize inventory.* Finalize the program and project inventory based on senior management feedback.
4. **Administer gap analysis questionnaire.** We will design and administer a gap analysis questionnaire. This will be a structured method for managers to provide information, such as the following:
- » Strengths of the organization,
 - » Unmet needs,
 - » What the Agency should be doing that it cannot do now,
 - » Desired changes and improvements,
 - » Technology and training that would be beneficial to staff and operations, and
 - » Other observations that would position the Agency well for the future.
- We will send the questionnaires to each program manager and then review the completed questionnaires with each program manager to ask clarifying questions and to provide assistance in completing them, as needed.
5. **Conduct Benchmarking.** We will conduct benchmarking to compare the Agency's organization, budgets, programs and projects, and staffing with peer agencies. We will collaborate with you to determine which agencies are most comparable and to determine the data points to collect. This effort would involve collecting the following information from five or six relevant peer agencies.
- » Mission and key responsibilities,
 - » Budgets,
 - » Organizational structure, and
 - » Number of employees.

We will prepare and disseminate peer surveys and review publicly available data and survey responses. We will ask the Agency to reach out to colleagues in the peer organizations to ask for assistance completing the surveys. That is the most reliable way of ensuring the data are accurate. We will summarize the results of our benchmarking and include it in our analysis in Activity 3.

Activity 3 – Conduct Analysis

Next, we will conduct our analysis, which will cover the following ten areas:

1. **Organizational structure.** We will analyze reporting relationships, work flow, spans of control, and identify options for improving efficiency and effectiveness. We will prepare

optional organization charts for discussion with the Agency.

2. ***Staffing, Employee Development and Succession Planning.*** We will analyze staffing needs and identify what is needed to carry out the Agency's mission. This will involve assessing succession planning, staff development and the methods in place to sustain a well-trained and engaged workforce well into the future.
3. ***Policies, planning and management systems.*** We will analyze key policies, planning mechanisms, management systems, workflow and tracking systems that guide the operations of the Agency. We will identify opportunities to optimize efficient and effective implementation of the Agency's mission.
4. ***Administrative services and use of technology.*** We will assess the Agency's administrative strengths and use of technology to identify functions and responsibilities that require additional support and planning.
5. ***Alternative service delivery opportunities.*** We will ascertain whether there are alternative methods of delivering some functions that would increase the efficient operations of the Agency. As alternatives are identified, we will assess what will be needed to fully develop the feasibility of such methods, which would occur at a later time, as the Agency determines.
6. ***Board of Directors/staff effectiveness.*** We will identify opportunities to enhance the effectiveness of the Board/staff relationship so that roles and expectations are clear.
7. ***General Manager performance evaluation process.*** We will review the Agency's existing performance evaluation process for the General Manager and provide recommendations for structuring a process for optimum value to both the Board of Directors and General Manager.
8. ***Deferred maintenance.*** We will identify methods of the Agency providing for the proper maintenance of its facilities. We will describe methods the Agency can use to establish, fund and staff preventive and predictive maintenance for current facilities; and creating a Capital Assets Management Program (CAMP) for upgrades, repairs and replacement of all capital facilities, which would include an annual reserve funds for sustaining the CAMP.
9. ***Compare with other agencies.*** We will analyze the data received through benchmarking and compare the Monterey County Water Resources Agency with its peer agencies on staffing, budgets, organization structure and other indicators for which data has been gathered.
10. ***Other needs.*** We will analyze other needs that may have surfaced as a result of the gap analysis, interviews, and employee survey.

We will prepare an outline of observations and preliminary recommendations for discussion with you, senior staff and Planning Committee members. Our outline will include the results of our analysis of the areas listed above, and any others that we have identified during the course of our assessment.

Activity 4 – Report Results

Next, we will prepare a draft report that includes our analysis and recommendations. It will contain the following elements (to be refined as we conduct our assessment).

- » Background information;
- » Inventory of Agency programs and projects;
- » Definitions of terminology;
- » Summary of gap analysis and input on strategic challenges facing the Agency;
- » Results of benchmarking with peer agencies;
- » Recommendations for changes to the organizational structure, staffing, employee development and succession, management systems and technology, policies and procedures, Board of Directors/staff effectiveness, performance evaluation process for the General Manager, and alternative service delivery options;
- » Description of methods of addressing deferred maintenance, including *preventive*, *predictive* and a *capital assets management program (CAMP)*;
- » Recommendations for further analyses needed to inform the strategic plan and implementation business plan; and
- » Description of recommended phase two strategic planning and development of an implementation business plan.

We will present the draft for review and comment to you, other senior staff you designate and the Planning Committee. At the conclusion of the review period we will consider all changes and suggested revisions and prepare the final report. Management Partners will present the report to the full Board of Directors, if desired.

Reports prepared by Management Partners are rich in detail, with recommendations supported by quality analysis. We take pains to ensure our analysis is clearly written with a logical flow, with recommendations immediately following the analysis that gives rise to them. If there are implementation considerations or suggestions pertinent to a specific recommendation, those comments immediately follow the recommendation to which they are related.

Activity 5 – Support Implementation

Management Partners has a strong bias for action. Our reports and resulting recommendations become tools for organization improvement, strategic planning, setting priorities and developing work plans.

After completing the project report, we will prepare a draft Implementation Action Plan for phase one, incorporating each recommendation in the project report. The draft action plan will set forth the steps required for implementation, assign responsibility for action, and an

Project Hours and Fee

Activity	Hours	Fee
1 – Start Project and Conduct Kickoff Meeting	29	\$7,500
2 – Gather Information and Prepare Detailed Materials	212	\$35,000
3 – Conduct Analysis	150	\$27,000
4 – Report Results	99	\$19,000
5 – Support Implementation	17	\$2,000
TOTALS	507	\$90,500

Our estimated timeline for this phase one engagement is shown in the schedule below with week one being July 2, 2018 and week 28 being December 17, 2018. With this schedule, we plan to present our report to the Planning Committee and Agency staff in December 2018. We will begin mobilizing the project in early July, depending on availability of Agency staff. If the Agency desires to pursue phase two, that work could begin in January 2019.

