

Attachment "C"

Management Partners



February 25, 2013

Ms. Marsha Moutrie
City Attorney
City of Santa Monica
1685 Main Street, Room 310
Santa Monica, CA 90401

Dear Ms. Moutrie:

Management Partners is pleased to submit this proposal to assess the City's oversight of its forestry contract with West Coast Arborists. As you know from our previous work with the City, Management Partners is a professional management consulting firm specializing in helping local government leaders. Our team members provide expertise in all aspects of municipal operations. Each assignment we undertake receives careful, professional attention and we have a well-earned reputation for the superior quality of our work products.

Our Understanding of the Engagement

The City of Santa Monica has an extensive urban forestry program, of which it is justifiably proud. The program includes a strong urban forestry plan with commitment both to maintain the current forest and expand it where feasible. The City has appointed an Urban Forestry Task Force to work with staff to support and monitor the forestry plan. Recently, members of the Task Force have raised questions about the quality of work provided by the City's contractor, West Coast Arborists, and as a result expressed concerns about the manner in which staff has historically managed the contract.

The City wants to be certain that it is managing its forestry program according to industry best practices. As a result, Santa Monica has engaged an arborist to evaluate the work of West Coast Arborists and wishes to engage Management Partners to review the City's internal management of the contract.

The City has asked Management Partners to understand and assess the questions being raised to determine if there is a problem and, if so, the magnitude of the issue; and to identify and propose corrections for work deficiencies that might indicate operational problems. The purpose of Management Partners' engagement is to assess the internal operations of the City's contract forest management and not the work of the West Coast Arborists.

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There are a number of potential reasons for the complaints that have been raised. Among these are the relationships between City staff and the vendor, over- or under-statement of the perceived problems, staff interaction with persons raising the issues, work requirements that require unusual levels of staff support (particularly relative to normal standards among Santa Monica's peer agencies), business processes for scheduling and managing work, and business processes for inspecting and verifying the work. We will consider each of these potential issues in the course of our review, subject to the direction of the City.

Management Partners has helped other jurisdictions assess similar types of issues and develop correction plans as necessary and appropriate. We are prepared to do the same for Santa Monica.

Our Approach

The outcomes of this assignment will include:

- An assessment of the questions being raised and the magnitude of the problems being presented.
- An assessment of the City's administration of its forestry contract, including analysis of proposals for work, work planning, contract management, and inspection of contactor work.
- Recommendations and an action plan for corrective action and/or operational improvements that we identify in the course of the review.

To achieve these outcomes we have drafted the following scope of work. It is subject to refinement based on your direction and issues we may identify during the course of this engagement.

Management Partners understands that our work activity and reporting is to be with and through the City Attorney and, as such, is confidential and privileged and not subject to public disclosure. We will conduct all work activity through and provide all work deliverables directly to the City Attorney

Activity 1 – Start Project

Management Partners will begin by meeting with you to ensure that we have a clear understanding of the objectives for the assessment. We have drafted this work plan based on our initial discussions with you, and it includes specific activities and tasks and a proposed schedule so it is clear who will be responsible for key steps during the process. During the kick-off meeting we will confirm and review the work plan and schedule.

Following the meeting, we will fine-tune the scope of work if necessary, complete our review of the relevant background information and finalize the schedule. Throughout the project, we will keep you informed of our progress and be available to staff for any needed assistance.

Activity 2 – Gather Relevant Data


We will begin this activity by collecting and analyzing various reports, work documents, and work volume data. At a minimum, we will collect and review the following information:

- Copies of the most recent and prior RFP for forestry services.
- Copy of the current contract for services (received and reviewed).
- Job descriptions of relevant city staff/positions (received and reviewed).
- Copies of vendor responses, including comments of non-respondents, from the most recent RFP.
- Documentation of non-responses and documents endorsing sole-source award.
- Copies of documents reflecting how the City has moved to the current contractual relationship (received and reviewed).
- File review of copies of contract management documents, including:
 - Work orders submitted to the contractor,
 - Work scheduling logs,
 - Field review assessments and inspection records,
 - Invoice approval documentation, and
 - Correspondence with contractor on work deficiencies.
- Charter of Urban Forestry Task Force (received and reviewed).
- Forthcoming arborist report.
- Sample contracts from similar area communities who use West Coast Arborists:
 - Contractual standards for tree operations and
 - Adequacy of substantive field review including, if possible, cross-check of field inspections for substantive information check.
- Work volume data, including:
 - Number of trees in City inventory;
 - Number of work transactions, by type, in each of past three years;
 - Number of field inspections, by type, conducted in past three years; and
 - Number of correction orders, by type, issued in past three years.

Note: "type" means primary work actions such as planting, removal, trimming and pruning, etc."

Activity 3 – Conduct Interviews

With the City's assistance, we will schedule and conduct interviews with all persons who have a relevant interest in the issue under study. At a minimum, this will include the following:

- Marsha Moutrie, City Attorney;
 - Elaine Polacheck, Assistant City Manager;
 - Karen Ginsberg, Director, Community and Cultural Services Department;
 - Randy Little, Manager, Public Landscape Division;
 - Robin Beaudry, Community Forest Supervisor;
 - Carlos Collard, Senior Administrative Analyst;
 - Walter Warriner, former Community Forester (if available and willing);
 - John Aguila, former Community Forest Supervisor (if available and willing);
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- Grace Phillips, Chair, Community Forestry Task Force;
- Tom Cleys, Member, Community Forestry Task Force;
- Linda Piera-Avila, Member, Community Forestry Task Force; and
- Arborist conducting independent review of city trees and work performance of West Coast.

During the kick-off meeting, we will identify any other persons the City feels should be included and add them to the interview list. The content of the interviews will vary according to the interview subject, but the general focus on the interview battery is to gain an understanding of:

- The nature and source of the complaints being received,
- The source of the complaints,
- Perceptions regarding the issue,
- Understanding of roles and responsibilities for the management of the forestry contract,
- Historic perspectives about the management of the forestry contract,
- Business processes relating to the management of the forestry contract,
- Understanding of documentary sources to field validate the management processes, and
- Other relevant topics that may arise during the interviews that have bearing on this review.

Activity 4 – Analyze Application of Policies and Operational Practices

In addition to gaining perceptual information through the interview process, it will be important to document the City's processes for management of the contract. We will do this in several ways, as detailed below.

Our independent arborist will review the upcoming arborist report to gain a full understanding of the content and conclusions of the report. He will then use procurement and inspection records to randomly sample West Coast work product and compare the work product against inspection records. Part of this review will be to determine whether the functional information on the inspection records is sufficient.

We will examine the City's work files relating to work planning and scheduling, work authorization, field inspection, compliance control, and invoice approval. We will do this by conducting a pseudo-random file search to pull records for assessment. The review will not be fully random since we will also pull and review the documentary records of specific cases raised during our interviews and arborist review.

We will assess the City's current forestry contract program relative to similar communities, looking at the similarity of their contracts, staffing and workload. And we will also evaluate the overall forestry contract management program using industry best standards for public contract management, both in general and for forestry programs.

Activity 5 -- Conduct an Issues Review

Once our analysis is complete, we will meet with you to review preliminary observations and recommendations. We will prepare a summary report highlighting our observations and the issues we have identified. We will meet with you to review the summary report, explain the bases for our observations, gain your understanding and concurrence, explore alternative solutions, and discuss additional analysis necessary and appropriate. We will then conduct any additional review prior to preparing the project report.

Activity 6 -- Report Results

Once our analysis is complete, Management Partners will prepare a draft report summarizing the results of our work, as well as our observations and recommendations. We will do so in a format reviewed and approved by the City. We will present our recommendations clearly and they will be supported by our analysis. We operate from a "no surprises" perspective. Prior to our drafting the report, you will be fully aware of our observations (as indicated in Activity 5 above).

We will review the draft report with you to ensure factual accuracy and to obtain your feedback. Once we have received your feedback, we will make any necessary changes and prepare the final report. At that time, we will also prepare an implementation action plan. This plan will identify key implementation steps, suggest responsibility for managing the change, and identify potential costs and savings and potential impediments.

Project Team

Management Partners has a project team that is highly qualified to complete this work for Santa Monica. This project will be a top priority for Management Partners and our team members will be available in whatever capacity and with whatever availability will contribute to the success of the project. Jerry Newfarmer, President and CEO, will serve as project director and will oversee the substantive work of the project. Ken Murray will serve as project manager and will be responsible for execution of the project. They will be supported by Adrian Gonzalez and an arborist, who will be qualified in the State of California. Brief qualifications for the project team members are provided below.

Jerry Newfarmer, President and CEO, founded Management Partners in 1994 after many years of public management leadership in California and Ohio. He is a national leader in local government, and has developed Management Partners into the leading firm nationally that assists local government leaders with every aspect of organizational improvement. Jerry served as city manager in Fresno and San Jose, California; and Cincinnati, Ohio. He was assistant city manager of Oakland, California, which was the chief operating officer role. He also served as President and CEO of the San Francisco Chamber of Commerce. He has been a leader in the International City/County Management Association, and was team leader of the State-Local Relations Team of the National Performance Review.

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Ken Murray, Partner, has nearly forty years of experience in public management, both as a public manager, as an educator, and as a management consultant. His areas of expertise include performance management, financial administration, information technology, and public works. He is particularly skilled in immediate issue analysis, having recently conducted similar reviews for the Housing and Community Development Department for Pinellas County, Florida; the Housing Finance Agency of Kansas City, Missouri; and the County Manager and Department of Information Technology for Sedgwick County, Kansas. He has served more than 200 different clients with a wide variety of consulting projects. He has reviewed urban forestry programs, typically as part of reviews of public works or parks and recreation functions, for more than 40 governments. A representative sample of these include Nashville, Tennessee; Oak Brook, Illinois; Dakota County, Minnesota; Moline, Illinois; Rock Island, Illinois; Naperville, Illinois; Beaufort County, South Carolina; Glynn County, Georgia; Spotsylvania County, Virginia; and others. He has also reviewed the contact management processes of nearly 75 different state and local governments. Prior to entering the consulting profession, he served as assistant city manager in Grand Rapids, Michigan; city manager in Joliet, Illinois, and Lee's Summit, Missouri; and staff director to the City Council in Jacksonville/Duval County, Florida. In his management capacities, he had responsibility for the urban forestry programs and contract management functions of the various cities. He also served as associate professor for public management at Indiana University and has held adjunct professorships of city manager for several other universities. Ken holds masters and doctoral degrees in political science, specializing in urban government, from Purdue University and has published numerous books and articles on public management.

Adrian Gonzales, Management Analyst, joined Management Partners in June 2012. He brings an understanding of complex government organizations, experience analyzing municipal budgets and financial constraints, as well as an understanding of federal and state policies impacting county and municipal government agencies. Prior to Management Partners, Adrian served as an intern with the city administrative officer (CAO), chief financial advisor for the Mayor, for the City of Los Angeles where he conducted fiscal and policy analysis. He also served as an intern for the City of Whittier in the City Manager's Office where he conducted research, provided policy recommendations, drafted ordinances and wrote on behalf of the Mayor, City Council and city manager. Adrian graduated from Whittier College in Whittier, California, where he earned a bachelor's degree with a double major in political science and public policy through the Whittier Scholars Program where his emphasis was on municipal government.

Hours, Fees and Schedule

Analyses of the nature described in this engagement letter are not always predictable in where they might lead and the work that might be necessary to assure due diligence. At the current time, we estimate that the work will require approximately 280 hours of professional staff time. As a result, Management Partners proposes to conduct this review on a time and materials

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basis, with a project cap of \$50,000. We will perform the work based on the hourly rates for each project position in the table below and for actual expenses.

Staff Position	Rate per Hour	Estimated Hours
Project Director	\$250	10
Project Manager	\$200	120
Arborist	\$190	80
Analyst	\$ 75	80

To assure that Santa Monica has full control over the project budget, we will undertake work and expenses only with the prior approval of the City. We will start this engagement during the week of February 25, 2013, and anticipate issuing a project report to the City in mid- April.

Conclusion

We would be pleased to assist the City of Santa Monica with this project. Please feel free to contact me if you have any questions about this proposal.

Sincerely,



Gerald E. Newfarmer
President and CEO

Accepted for the City of Santa Monica by:

Name: 

Title: City Manager

Date: March 1, 2013

Marsha Jones Moutrie
City Attorney