



Topic: **Authority Board Agenda Item 1.2.3**

2019 December 20

Subject: **Recruiter for Executive Director Position and Interim Executive Director**

Requested Action:

Consider approving Avery Associates to serve as a Recruiter for an Executive Director position and the appointment of an Interim Executive Director.

Detailed Description/Background:

A draft Organizational Assessment of the structure of the Sites Project's program management team, Reservoir Committee and the Authority was prepared and presented to the Authority and Reservoir Committee for consideration. An Executive Director position was determined to be needed and included in a draft updated organization chart.

Three members of the Authority and Reservoir Committee were appointed by the Chairs to take a lead in a recruitment process for an Executive Director. Request for proposals were requested from three recruiters experienced in high level water leader recruitments. The proposals were reviewed by the subcommittee with the recommendation to enter into negotiations with Avery Associates for a cost not to exceed \$24,900.

Successful contract negotiations were conducted based on Authority legal review and comment. The negotiated contract is attached to this staff report.

The subcommittee also recommended that Jim Watson be appointed as the Interim Executive Director.

Prior Authority Board Action:

At the November 21 Joint Authority/Reservoir Committee meeting, Gary Darling (Darling H2O Consulting, Inc.) presented the draft Organizational Assessment.

At the August 26, 2019 meeting, approved a budget reallocation for the organizational assessment and execution of a sole-source professional services agreement with Darling H2O to perform an organizational assessment.

At the July 22, 2019, Chairman Durst stated they are working on an organizational assessment plan to evaluate the structure of the Sites Project's program management team, Reservoir Committee and the Authority.

Fiscal Impact/Funding Source:

Status: Final
Purpose: Sites Authority Board Staff Report
Caveat: Action
Notes:

Preparer: Trapasso
QA/QC: Watson
Authority Agent: Trapasso

Phase: 2 Version: A
Date: 2019 December 20
Ref/File #: 12.221-210.018
Page: 1 of 2

The scope and budget for the Executive Director recruiter are being included in the revised Phase 2 (2019) Work Plan budget.

Staff Contact:

Joe Trapasso

Attachments:

Attachment A: Recruiter contract for an Executive Director position.

AGREEMENT BETWEEN
SITES PROJECT AUTHORITY
AND
WILLIAM AVERY & ASSOCIATES

This agreement, effective immediately, is entered into by and between WILLIAM AVERY & ASSOCIATES, INC. (hereinafter referred to as CONSULTANT) at 3 1/2 N. Santa Cruz Avenue, Suite A, Los Gatos, California 95030 and the SITES PROJECT AUTHORITY, a California joint powers authority duly formed and existing under and pursuant to the California Joint Exercise of Powers Act (Government Code § 6500 et seq.) (hereinafter referred to as the AGENCY).

WITNESSETH:

WHEREAS, the AGENCY has need for specialized consultant services; and

WHEREAS, CONSULTANT has the training, experience and competence to perform the specialized service required by the AGENCY; and

WHEREAS, AGENCY has the authority under state law to employ CONSULTANT;

NOW THEREFORE, the parties to this agreement do hereby mutually agree as follows:

I.

DUTIES OF CONSULTANT

1. CONSULTANT will perform any and all necessary work in order to assist the AGENCY in recruiting and hiring an EXECUTIVE DIRECTOR. Work to be performed includes:
 - a) CONSULTANT to meet with AGENCY Officials and others deemed appropriate by the FIRM.
 - b) CONSULTANT will develop recruitment materials (including the candidate profiles, job announcements, and employment ads) for the AGENCY.
 - c) CONSULTANT will conduct outreach to seek out and recruit qualified candidates for the positions.
 - d) CONSULTANT will conduct preliminary screening to eliminate candidates who do not possess minimum required qualifications.

2. Paul Kimura will lead all work on this assignment. Bill Lopez and Sam Avery along with the staff of William Avery & Associates will assist Mr. Kimura.
3. Attached is Exhibit A, a scope of services document, which details the work to be performed and the process to be followed.

II.

DUTIES OF AGENCY

1. AGENCY shall cooperate with CONSULTANT in the performance of this agreement as follows:
 - a) Providing all information reasonably accessible to AGENCY which may be helpful to CONSULTANT in the performance of services, and
 - b) Make staff available for interviews/consultation, etc.

III.

CONSIDERATION

1. For the services described above, the AGENCY shall pay CONSULTANT the sum of Nineteen Thousand Four Hundred (\$19,400.00) Dollars. A retainer of Eight Thousand Four Hundred (\$8,400.00) Dollars will be due and payable upon commencement of work. A second invoice of Five Thousand Five Hundred (\$5,500.00) dollars would be submitted upon the AGENCY's acceptance of a finalist candidate group. The final balance of Five Thousand Five Hundred (\$5,500.00) Dollars will be invoiced at the completion of the search, and subject to Article III.3 below, shall be due and payable only upon AGENCY entering into a consulting or employment contract with a candidate that CONSULTANT has identified pursuant to this agreement, which shall be referred to herein as the "Completion of the Services".
2. CONSULTANT shall bill AGENCY for direct expenses for advertisement, clerical time, supplies, printing, postage, background checks and consultant travel for client discussions, meetings, and local and out-of-area candidate interviews. Total billings for authorized expenses shall not exceed Six Thousand (\$6,000.00) Dollars.
3. Payment to CONSULTANT for services performed and costs incurred as provided for in this Article III shall be due and payable within forty-five (45) days of AGENCY's receipt of an invoice from CONSULTANT.

IV.

TERM OF AGREEMENT

This agreement shall commence on _____, 2019 (“Effective Date”) and continue until the first to occur of (i) the Completion of the Services, or (ii) the expiration of six (6) months from the Effective Date if CONSULTANT has not furnished AGENCY a candidate pool that meets with AGENCY’s reasonable satisfaction.

V.

INDEMNITY

Each party hereto shall defend, indemnify, and hold harmless, the other party, its officers, agents, and employees against all liabilities, losses, expenses (including reasonable attorneys’ fees), or claims for injury or damages arising out of or in connection with the indemnifying party’s performance under this Agreement, but only to the extent such liabilities, losses, expenses, or claims for injury or damages are caused by the negligent acts, errors, or omissions of the Consultant, its officers, agents, and employees. In no event shall either party be liable to the other party for the payment of any consequential (including lost profits), punitive or exemplary damages.

VI.

INSURANCE

1. Consultant, at its sole expense, shall maintain the types of coverage and minimum limits indicated below, unless otherwise approved by the AGENCY in writing.
 - a) Commercial General Liability Insurance. Consultant shall maintain occurrence-based coverage with limits not less than \$2,000,000 per occurrence.
 - b) Business Automobile Liability Insurance. Consultant shall maintain coverage with limits not less than \$1,000,000 per each accident for owned, hired and non-owned automobiles.
 - c) Workers' Compensation Insurance. Consultant shall maintain coverage as required by the California Labor Code.
 - d) Professional Liability Insurance. Consultant shall maintain coverage with limits not less than \$1,000,000 per occurrence. Professional Liability may be written as claims-made coverage.

VII.

GUARANTEES AND ETHICS

Whenever William Avery & Associates, Inc. is retained; we make several guarantees and commitments to a client. Due to our experience, knowledge and success within the management-consulting field, we assure a client that we will only present candidates who meet a

substantial majority of the ideal qualifications that you have outlined. We are also committed to continue our search efforts until a successful candidate is employed.

During our placement efforts, we openly share any relationships, previous experience and knowledge for any candidate we present for consideration. Our commitment and responsibility is to our clients and their best interests.

It is also our practice to replace a candidate who may voluntarily resign during the first one year of his/her employment. This same commitment applies if the client finds it necessary to terminate or to request the resignation of the selected individual in the first year for any reason. In either case, we invoice a client only for out-of-pocket expenses not to exceed \$6,000.00 incurred in identifying a replacement.

VII.

MISCELLANEOUS

1. **Confidentiality.** Consultant shall safeguard all material and information which AGENCY provides, shall not copy or duplicate such materials without prior approval from AGENCY, and shall return such materials to Agency upon completion of services or upon request from AGENCY.
2. **No Advertisement of Services.** Unless approved in writing by AGENCY in its sole discretion, CONSULTANT shall not advertise in any manner that it is performing services for AGENCY.
3. **No Disparagement.** CONSULTANT shall, during and after expiration of the Term, refrain from making any statements or comments of a defamatory or disparaging nature to any third party regarding AGENCY, or any of AGENCY's officers, directors, members, personnel, policies, or products, other than to comply with law.
4. **No Partnership.** The provisions of this agreement are not intended to create, nor shall they be in any way interpreted or construed to create, a joint venture, partnership or any other similar arrangement between the parties to this Agreement. CONSULTANT's only relationship with AGENCY is that of an independent contractor.
5. **Further Assurances.** The parties shall execute such further documents and take such further actions as may be necessary to fully perform under this agreement.
6. **No Assignment.** CONSULTANT shall not assign, transfer or subcontract, in whole or in part, any of its rights or obligations under this agreement, including without limitation, any payments that may become due or which are due to CONSULTANT, without the prior written consent of AGENCY, which AGENCY may grant, condition or withhold in its sole discretion.

7. **Amendment.** Except as expressly provided for herein, no amendment to this agreement shall be effective unless signed by both parties.
8. **Entire Agreement.** This agreement represents and contains the entire agreement and understanding between the parties relating to the subject matter hereof, and all previous statements or understandings, whether express or implied, oral or written, relating to that subject matter are superseded by this agreement.
9. **Governing Law; Venue.** This agreement shall be governed by and construed and enforced in accordance with the laws of the State of California applicable to contracts made and to be performed in California without giving effect to the principles of conflicts of laws. Any action instituted under this Agreement shall be brought only in the Colusa County, California, Superior Court.
10. **Counterparts.** This agreement may be executed in one or more counterparts, including by facsimile transmission, each of which shall constitute an original.
11. **Authority.** Each individual executing this agreement represents and warrants that they are duly authorized to execute and deliver this agreement on behalf of the organization named herein and that this agreement is binding upon said organization in accordance with its terms.

WILLIAM AVERY & ASSOCIATES, INC. **AGENCY**

Paul Kimura, Principal

Name, Title

Dated: _____

Dated: _____

EXHIBIT "A"

SCOPE OF SERVICES

Recruitment Team for the Sites Reservoir Project

Paul Kimura will serve as the Project Lead in this assignment and will be supported by Bill Lopez and Sam Avery. Mr. Kimura will be personally involved in the initial client meetings, development of the ideal candidate profile and search strategy, interviewing and assessment of candidates, the presentation of candidates, attendance at final interviews, and will be available throughout the search process to provide other related consulting services.

Recruitment Plan and Services Provided

I. Position Profile and Organizational Assessment

The initial assessment phase is a critical component of the search process. Mr. Kimura will coordinate appropriate discussions with Mr. Darling to discuss the organizational needs and position requirements for this assignment. The output of these discussions will include a formal recruitment brochure. Our goal for this aspect of the recruitment process is to:

- Understand the JPA's priorities for this position.
- Develop a clear understanding and consensus on the expertise, experience, education, performance attributes and operational style of the ideal candidate.
- Discuss the goals, objectives, deliverables, and challenges related to this position.
- Gain insight of the various organizational dynamics and issues that exist within the entity.
- Identify the compelling aspects to this opportunity.

II. Development of the Search Strategy and Candidate Outreach

Our search strategy will be developed in conjunction with the organizational assessment. For this assignment, we feel it is critical to develop a high level of visibility with a comprehensive outreach program supplemented by a focused targeted recruitment approach. We would incorporate the following elements into this search:

- Initial and continual development and contact of a targeted candidate list. This list would be based on our extensive database of water resources, water utilities, public works, executive and general management personnel, in both operational

and engineering environments; previous recruitment contacts, referrals and recommendations from key sources; and other current and former incumbents or related personnel. We would also envision Mr. Darling to be a valuable source of leads and referrals to pursue.

- Utilization of Internet-based job boards and association-based websites that are unique and relate to the specific responsibilities of the position. We also understand your desire to primarily seek out local and regional candidates.
- Original research, which begins with identification and contact of individuals currently in the profession or other candidates who meet the profile but are not actively seeking employment. This is the crux of our direct and aggressive phone and email outreach approach.
- Development and electronic distribution of the comprehensive position announcement to various individuals within city/county water operations and special districts.

III. Candidate Assessment

Based on our understanding of Mr. Darling's role in this recruitment, we would envision utilization of a joint review and evaluation of the candidate pool. While the specific nature of the evaluation and interview process will need to be developed, the goal is to accelerate the evaluation process to ensure a timely process to meet the accelerated schedule for this recruitment.

Our typical approach in interviewing candidates, utilizes a methodology based on "behavioral" interview techniques. Fundamentally, this approach explores a candidate's past accomplishments and experiences. The philosophy here is that the best indicator of future performance is assessing past behavior. This methodology allows the firm to "project" how a candidate would approach and address challenges in the new position.

Those individuals who best fit the position requirements will have a Candidate Assessment Report developed by the Principal who conducted the interview. Additionally, two initial reference interviews are performed on these candidates. The reference interviews provide our clients with additional insights on the candidate's "behavior" and style.

IV. Candidate Presentation

Upon completion of formal interviews and initial reference interviews, a selection of candidates for presentation is made. We feel our extensive screening, interview, and reference process; combined with the knowledge gained during our initial assessment period, enable our client to proceed with fewer rather than more finalists.

The final candidates are presented in our candidate presentation “book.” Each finalist will have a file consisting of a candidate summary sheet, a resume, the Candidate Assessment Report (based on the formal interview), and initial candidate reference reports.

V. Selection Process

Once the final candidate interview group is identified, we will work with Mr. Darling to facilitate the final interview process as requested. Our firm will provide candidates with guidance related to travel planning, hotel accommodations, as well as other interview planning issues.

VI. Recruitment Closure and Follow-Up

Based on the firm’s experience in human resource management and executive search, we are able to assist our clients in the formulation of appropriate compensation and other employment arrangements. We will be available throughout our retention to assist in this process.

As a matter of policy, Avery & Associates monitors the transition and progress of any executive we place with a client. Within the first three to six months after the Agency has hired the individual, we will speak with that individual to ensure that an effective transition has occurred. During the same period, we will also review the individual’s status with your office.

Consulting Fee

Based on the services described in our proposal, the discounted professional services consulting fee for this recruitment will be \$19,400. We would provide our first consulting invoice in the amount of \$8,400 at the outset of the search. A second invoice of \$5,500 would be billed with the presentation of candidate recommendations and the final invoice of \$5,500 for the retainer will be submitted following the Completion of the Services. The consulting fee will be inclusive of all services defined within this proposal unless otherwise stated.

In addition to the Professional Services Fee, normal and direct out-of-pocket expenses associated with the search are charged back to the client. Expenses for this assignment would not exceed \$6,000 without the express consent of the client. These expenses include advertising, clerical time, supplies, printing, telephone, postage, background checks and consultant travel for client discussions, meetings, and local and out-of-area candidate interviews. All expense items are reimbursed “at cost” and will be detailed and billed on a monthly basis.