ITEM NO. 11

STAFF REPORT

CITY OF OCEANSIDE

DATE: December 8, 2010

TO: Honorable Mayor and Councilmembers

FROM: Water Utilities Department

SUBJECT: **APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH TAMAYO & ASSOCIATES FOR PROFESSIONAL SERVICES FOR DEVELOPMENT A WATER AND WASTEWATER STRATEGIC PLAN**

SYNOPSIS

Staff and the Utilities Commission recommend that the City Council approve a professional services agreement in an amount not to exceed $99,000 with Tamayo & Associates of Cardiff by the Sea, for professional services for development of a Water and Wastewater Strategic Plan; and authorize the City Manager to execute the agreement (Exhibit A).

BACKGROUND

The Water Utilities Department desires to develop a Strategic Plan to define the Department's long-term goals and to identify the best approach for achieving those goals. A Professional Strategic Planning Facilitator will bring together stakeholders to be actively involved in a systematic process of envisioning a desired future and translating this vision into broadly defined goals and a sequence of steps to achieve them. The Strategic Plan will help move the utility away from crisis management by forcing the utility to look into the future and chart a definite course for the next 3-5 years based on strong indicators of what the business environment will be like in those years. Strategic Plans also plug everyone into the process and provide standards for accountability of people, programs and resources.

At this time, the City has contracted with the Maddaus Water Management group to prepare a Water Conservation Plan to assist the city in meeting the 20 percent water reduction by the year 2020. Tamayo and Associates will facilitate discussion among stakeholder groups in choosing which conservation items to select for the final plan. Maddaus will provide the technical information during the facilitated meetings.

The goal of this plan is to determine how to decrease dependence on imported water to 50% by the year 2030.

ANALYSIS

On September 15, 2010, a Request for Proposal (RFP) for professional services to prepare a Water and Wastewater Strategic Plan was sent to seven qualified firms (Exhibit B).

On October 7, 2010, the Water Utilities Department received proposals from four of the consulting firms; staff performed a review of the proposals for accuracy and completeness. Staff reviewed and evaluated the proposals and Tamayo & Associates was selected as the best qualified for this project (Exhibit C). The estimated start date for the project is December 13, 2010, with expected completion in May 2011.

FISCAL IMPACT

The funding source for the project is the Water Fixed Asset Replacement Fund (712) that is funded by water rates. The Miscellaneous Water Projects business unit (908824000712.5305) in the Water Fixed Asset Replacement Fund has an available balance of $967,842; the total for professional services is $99,000. Therefore, adequate funds will be available for the project.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

INSURANCE REQUIREMENTS

The City's standard insurance requirements will be met.

COMMISSION OR COMMITTEE REPORT

The Utilities Commission approved staff's recommendation at its scheduled meeting on November 16, 2010.

RECOMMENDATIONS

Staff and the Utilities Commission recommend that the City Council approve a professional services agreement in an amount not to exceed $99,000 with Tamayo & Associates of Cardiff by the Sea, for professional services for development of a Water and Wastewater Strategic Plan; and authorize the City Manager to execute the agreement (Exhibit A).

PREPARED BY:

Greg Blakely
Administration Manager

SUBMITTED BY:

Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

Cari Dale, Water Utilities Director

Teri Ferro, Financial Services Director

Exhibit A: Professional Services Agreement
Exhibit B: Request for Proposal Mailing List
Exhibit C: Consultant Rating Form

Water and Wastewater Strategic Plan
RFP Mailing List

First Name	Last Name	Company	Address	City	State	Zip	Phone
Doug	Spiers	Westin	3100 Zinfandel Drive, Suite 300	Rancho Cordova	CA	95670	916-852-2111
Lynn	Adams	R.W. Beck	15373 Innovation Drive, Suite 390	San Diego	CA	92128	858-487-7877
Lance	Decker	L.L. Decker & Associates, Inc.	5135 North 41st Place	Phoenix	AZ	85018	602-957-9659
Charles	Beesley	Special Districts Consulting	620 Timberleaf Court	Walnut Creek	CA	94598	925-935-1270
Leslie	DePol	Winds of Change	13763 Fiji Way, Suite E	Marina del Rey	CA	90292	310-924-7667
Linda	Shoob	Organization Effectiveness Consultants	4999 Riding Ridge Road	San Diego	CA	92130	619-992-6211
Michele	Tamayo	Tamayo & Associates	922 Woodgrove Drive	Cardiff by the Sea	CA	920070	760-652-5303

Exhibit B

CONSULTANT PROPOSAL - RATING FORM

NAME OF FIRM: A) Hirasato B) Lee Duncan C) Winstar D) Tamayo

PROJECT: Strategic Plan

DATE: 10/12/10

PROJECT NO.:

ITEM	POINTS	CONSULTANT'S RATING A	B	C	D	E
I. QUALIFICATIONS OF FIRM AND MEMBERS						
A. Specialized expertise of members	15	13	13	13	13	
B. Adequacy of staff and resources.	15	13	13	11	13	
II. PERFORMANCE OF WORK SIMILAR IN CHARACTER						
A. Comparable work (local area preferred).	10	7	7	6	9	
B. Proposal submitted by Oceanside firm.	6	6	0	0	0	
C. Proposal included an Oceanside firm as part of a consulting team.	4	0	0	0	0	
D. Additional points based on abilities, qualifications, and commitment of Oceanside firm.	5	2	0	0	0	
III. ABILITY TO PROVIDE SERVICES						
A. Ability to complete job on time.	10	7	8	8	9	
IV. QUALITY OF PROPOSAL						
A. Satisfactorily address all objectives.	10	6	7	7	9	
B. Provide additional amplifying information.	5	3	3	3	4	
C. Presentation, clarity, neatness.	5	3	3	3	4	
V. WORK PERFORMANCE FOR THE CITY						
A. No work in past 12 months.	10	10	10	10	10	
B. Work in past 12 months - deductions based on Contract amount.						
VI. PRICE						
A. Overall cost.	10	8	6	7	8	
TOTALS:	105	77 0	70 0	68 0	79 0	0

RANKING:

1 Tamayo
2 Hirasato
3 Lee Duncan
4 Winstar
5

RATED BY:

Name/Title: Grace Barney
Name/Title:
Name/Title:
Name/Title:
Date:

Exhibit C

CITY OF OCEANSIDE

PROFESSIONAL SERVICES AGREEMENT

PROJECT: WATER and WASTEWATER STRATEGIC PLAN [9088243000712]

THIS AGREEMENT, dated _____, 2010 for identification purposes, is made and entered into by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter designated as "CITY", and TAMAYO & ASSOCIATES, hereinafter designated as "CONSULTANT."

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **SCOPE OF WORK.** The CONSULTANT desires to perform professional services in the preparation of a Water and Wastewater Strategic Plan and to provide professional facilitation for its preparation and facilitation for the Water conservation Master Plan being prepared by others per the CONSULTANTS proposal dated October 6, 2010, attached hereto and incorporated herein as Exhibit "A." The project is more particularly described as follows:

2. **INDEPENDENT CONTRACTOR.** CONSULTANT'S relationship to the CITY shall be that of an independent contractor. CONSULTANT shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless specifically authorized in writing by the Water Utilities Director. The CONSULTANT shall not be authorized to communicate directly with, nor in any way direct the actions of, any bidder or the construction contractor for this project without the prior written authorization by the Water Utilities Director. CONSULTANT shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this Agreement. CONSULTANT shall report to the CITY any and all employees, agents, and consultants performing work in connection with this project, and all shall be subject to the approval of the CITY.

3. **LIABILITY INSURANCE.**

3.1. CONSULTANT shall, throughout the duration of this Agreement maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of CONSULTANT, its agents and employees, performed in connection with this Agreement including but not limited to premises and automobile.

3.2 CONSULTANT shall maintain liability insurance in the following minimum limits:

<u>Comprehensive General Liability Insurance</u> (bodily injury and property damage)	
Combined Single Limit Per Occurrence	$ 1,000,000
General Aggregate	$ 2,000,000*
or	
<u>Commercial General Liability Insurance</u> (bodily injury and property damage)	
General limit per occurrence	$ 1,000,000
General limit project specific aggregate	$ 2,000,000
<u>Automobile Liability Insurance</u>	$ 1,000,000

*General aggregate per year, or part thereof, with respect to losses or other acts or omissions of CONSULTANT under this Agreement.

3.3 If coverage is provided through a Commercial General Liability Insurance policy, a minimum of 50% of each of the aggregate limits shall remain available at all times. If over 50% of any aggregate limit has been paid or reserved, the CITY may require additional coverage to be purchased by the CONSULTANT to restore the required limits. The CONSULTANT shall also notify the CITY'S Project Manager promptly of all losses or claims over $25,000 resulting from work performed under this contract, or any loss or claim against the CONSULTANT resulting from any of the CONSULTANT'S work.

3.4 All insurance companies affording coverage to the CONSULTANT for the purposes of this Section shall add the City of Oceanside as "additional insured" under the designated insurance policy for all work performed under this agreement. Insurance coverage provided to the City as additional insured shall be primary insurance and other insurance maintained by the City of Oceanside, its officers, agents, and employees shall be excess only and not contributing with insurance provided pursuant to this Section.

3.5 All insurance companies affording coverage to the CONSULTANT pursuant to this agreement shall be insurance organizations admitted by the Insurance Commissioner of the State of California to transact business of insurance in the state or be rated as A-X or higher by A.M. Best.

3.6 All insurance companies affording coverage shall provide thirty (30) days written notice to the CITY should the policy be cancelled before the expiration date. For the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.

3.7 CONSULTANT shall provide evidence of compliance with the insurance requirements listed above by providing a Certificate of Insurance and applicable endorsements, in a form satisfactory to the City Attorney, concurrently with the submittal of this Agreement.

3.8 CONSULTANT shall provide a substitute Certificate of Insurance no later than thirty (30) days prior to the policy expiration date. Failure by the CONSULTANT to provide such a substitution and extend the policy expiration date shall be considered a default by CONSULTANT and may subject the CONSULTANT to a suspension or termination of work under the Agreement.

3.9 Maintenance of insurance by the CONSULTANT as specified in this Agreement shall in no way be interpreted as relieving the CONSULTANT of any responsibility whatsoever and the CONSULTANT may carry, at its own expense, such additional insurance as it deems necessary.

4. **CONSULTANT'S INDEMNIFICATION OF CITY.** CONSULTANT shall indemnify and hold harmless the CITY and its officers, agents and employees against all claims for damages to persons or property arising out of the negligent acts, errors or omissions or wrongful acts or conduct of the CONSULTANT, or its employees, agents, subcontractors, or others in connection with the execution of the work covered by this Agreement, except for those claims arising from the willful misconduct, sole negligence or active negligence of the CITY, its officers, agents, or employees. CONSULTANT'S indemnification shall include any and all costs, expenses, attorneys' fees, expert fees and liability assessed against or incurred by the CITY, its officers, agents, or employees in defending against such claims or lawsuits, whether the same proceed to judgment or not. Further, CONSULTANT at its own expense shall, upon written request by the CITY, defend any such suit or action brought against the CITY, its officers, agents, or employees resulting or arising from the conduct, tortious acts or omissions of the CONSULTANT.

CONSULTANT'S indemnification of CITY shall not be limited by any prior or subsequent declaration by the CONSULTANT.

5. **COMPENSATION.** CONSULTANT'S compensation for all work performed in accordance with this Agreement, shall not exceed the total contract price of $99,000.

No work shall be performed by CONSULTANT in excess of the total contract price without prior written approval of the Water Utilities Director. CONSULTANT shall obtain approval by the Water Utilities Director prior to performing any work, which results in incidental expenses to CITY.

6. **TIMING REQUIREMENTS.** Time is of the essence in the performance of work under this Agreement and the timing requirements shall be strictly adhered to unless otherwise modified in writing. All work shall be completed in every detail to the satisfaction of the Water Utilities Director within 120 working days from the Notice to Proceed.

7. **ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between CITY and CONSULTANT concerning the work to be performed for this project and supersedes all prior negotiations, representations, or agreements.

8. **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to CITY.

The CONSULTANT shall be responsible for complying with all local, state, and federal laws whether or not said laws are expressly stated or referred to herein.

Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions, which are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

9. **AGREEMENT MODIFICATION.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.

10. **SIGNATURES**. The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY.

IN WITNESS WHEREOF, the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Professional Services Agreement to be executed by setting hereunto their signatures on the dates set forth below.

TAMAYO & ASSOCIATES	CITY OF OCEANSIDE
Michele Tamayo 11-4-10 By: Michele Tamayo	By:
Name/Title Michele Tamayo, Sole proprietor	Peter A. Weiss, City Manager
Date: Oct 31, 2010 Notarial Certificate Attached Date 11/4/2010 (M)	Date:
By:	APPROVED AS TO FORM:
Name/Title	
Date:	[illegible], ASST.
562-23-5016	City Attorney
Employer ID No.	

NOTARY ACKNOWLEDGMENTS OF CONSULTANT MUST BE ATTACHED.

(Revised 9-2008)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Diego }

On Nov. 4th 2010 (Date) before me, L. Montes, Notary (Here Insert Name and Title of the Officer),

personally appeared Michele Tamayo (Name(s) of Signer(s)),

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is~~/are~~ subscribed to the within instrument and acknowledged to me that ~~he~~/she/~~they~~ executed the same in ~~his~~/her/~~their~~ authorized capacity(~~ies~~), and that by ~~his~~/her/~~their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

OFFICIAL SEAL
L. MONTES
NOTARY PUBLIC-CALIFORNIA
COMM. NO. 1810258
SAN DIEGO COUNTY
MY COMM. EXP. AUG. 19, 2012

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: L. Montes Notary (Signature of Notary Public)

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Professional Services Agmt.

Document Date: 11/4/2010 Number of Pages: 7

Signer(s) Other Than Named Above: N/A

Capacity(ies) Claimed by Signer(s)

Signer's Name:	Signer's Name:
☐ Corporate Officer — Title(s):	☐ Corporate Officer — Title(s):
☑ Individual	☐ Individual
☐ Partner — ☐ Limited ☐ General	☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact	☐ Attorney in Fact
☐ Trustee	☐ Trustee
☐ Guardian or Conservator	☐ Guardian or Conservator
☐ Other:	☐ Other:
Signer Is Representing:	Signer Is Representing:
RIGHT THUMBPRINT OF SIGNER — Top of thumb here	RIGHT THUMBPRINT OF SIGNER — Top of thumb here

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Date: 6 October 2010

To: Director Cari Dale and Administrative Manager Greg Blakely

From: Michele Tamayo

Subject: Water and Wastewater Strategic Plan Proposal

We are pleased to submit a proposal to the Oceanside Water Utilities Department for the development of a Water and Wastewater Strategic Plan. We understand that this plan is an important and integral part of meeting the goal of decreasing dependence on imported water by 50% by 2030. We also understand that a critical aspect of the strategic planning process is to create a consensus on shared goals between the City, Commissions and City Council regarding the City's water supply and wastewater treatment, disposal and usage.

Joe Sterling and I have the experience and expertise to help build consensus and to guide the process to create a relevant and practical strategic plan that can be implemented.

We look forward to the opportunity to work with the Water Utilities Department to achieve these important goals!

Included are five copies of the proposal, as requested.

Please contact me if you need any additional information. Being local, we can meet you at your offices on short notice should questions arise.

Sincerely,

Michele Tamayo

(760) 805-6228 cell
(760) 652-5303 office

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922 Woodgrove Drive
Cardiff by the Sea, CA 92007
(760) 652-5303
mtamayo1@roadrunner.com

Section 1. Our Understanding of this Project

Project Objectives

The objectives of this project are to create a department-wide strategic plan, that brings focus and alignment to the Oceanside Water Utilities Department and that will enable four core goals:

1. Compliance with the plan update requirements set forth in the Urban Water Management Planning (UWMP) Act, including bringing all component plans up to date.
2. Development of a strategic roadmap for decreasing dependence on imported water to 50% by the year 2030.
3. Achieve consensus on shared goals for the City's water supply and waste water treatment, disposal and usage. This will involve facilitating leaders in the Water Utilities Department, Commissions, City Council, and possibly other departments, to develop alignment on the strategic issues. This will lead to evaluation of, and collaboratively defined adjustments to, present long-term water related goals.
4. Work with Madduas Water Management Group to facilitate workshops with both the Utilities Commission and City Council to determine the best conservation methods to help meet the "20% by 2020" goal. Meeting the 20 by 2020 goal is an integral milestone of the larger strategic plan.

Planning History

We understand that the City of Oceanside currently does not have a City-wide strategic plan to which Water Utilities would contribute a component. The Water Utilities Department and other City departments are familiar with preparing plan documents to comply with regulations. These usually involve plans that can be executed within each department.

Where consensus is required to achieve City-wide performance targets, as is the case with water sourcing, conservation, and so on, the City organization, Commissions, and Council have less familiarity with collaborative strategic planning processes and consensual decision making. Improving collaboration and consensus across departments, Commissions, Council, and other stakeholders will be necessary to achieve the project objectives.

Beyond the compliance drivers for the Urban Water Management Plan, Water Utilities Department managers have expressed desire in recent years to develop a strategic plan and planning process, but did not have sufficient support and resources to do it. In spring of 2010, a new Director, Cari Dale, was hired to lead the department. Director Dale has made strategic planning a priority, established a budget for it, and gotten support to release the RFP.

Section 2. Proven Strategic Planning Approach

Overview of Approach

Our approach is based on best practice models for government planning, and has been honed through application in many government and non-profit settings in the San Diego region (including City of Carlsbad and City of San Diego).

This approach, while fairly straight forward, accounts for the forces that commonly derail planning and inhibit implementation of strategies. Naturally, it relies on City staff and leadership participation so that those who must implement it are personally invested and have contributed to the broad strokes as well as the details.

Phased Planning

The process illustrated below is a phased planning process that moves roughly left to right. In practice, there is some iterative looping between articulating strategic issues, making strategic choices, and developing the operating framework. This ensures that each component is logically consistent with the rest and that all participating stakeholders are aligned.

The process will engage the organization in a series of steps to analyze the situation, both the internal and external conditions, clarify the Department's mission, examine stakeholder priorities, and review pertinent mandates. We will guide participants to articulate the strategic issues and identify the challenges that the department must address to meet its mandates and fulfill its mission. Participants will review practical alternatives, make strategic choices, build their vision of success, and identify objectives. Implementation action plans will enable monitoring, course correction, and link to individual work plans. The specifics of each are outlined below.

Phases

1	2	3	4	5	6
Planning to Plan	**Situation Analysis**	**Articulate Strategic Issues**	**Make the Strategic Choices**	**Plan to Implement the Strategies**	**Plan to Evaluate & Monitor**
▪Clarify Sponsors ▪Identify Participants ▪Establish Focus ▪Set Goals ▪Finalize Process **Plus:** ▪Facilitate Finalization of Conservation Plan	▪Assess Internal Conditions ▪Assess External Conditions ▪Clarify the Mission ▪Understand Stakeholders ▪Review Mandates	▪Clarify Fundamental Challenges ▪Name Key Focus Areas	▪Generate Practical Alternatives ▪Analyze Barriers ▪Envision Success ▪Define Operating Values ▪Establish Objectives	▪Establish Measures ▪Define Targets ▪Develop Initiatives ▪Create Communication Strategy & Plans ▪**Commission & City Council Workshops for Feedback**	Develop Approaches to: ▪Tracking Progress ▪Celebrating Successes ▪Making Course Corrections ▪**City Council Presentation for Plan Approval**

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Section 3. Phased Planning Approach – Details

Phase 1

Planning to Plan

- Clarify Sponsors
- Identify Participants
- Establish Focus
- Set Goals
- Finalize Process

Plus:

- Facilitate Finalization of Conservation Plan

Schedule

Jan.

Activities:
Meetings with project sponsor and key staff

Workshops for Conservation Plan
- Commission
- Council

Deliverables:
Final process document for strategic planning flow

Input to Conservation Plan for Madduas

Phase 1: Planning to Plan

This initial phase involves top management—those people who are responsible for making the key decisions—getting together to make a number of decisions regarding the planning process. Important questions must be answered, beyond information available to us at this time, to set the process up for success. Some of the questions will include:

- **Clarify Sponsors & Identify Participants**: Who needs to be committed to the process as a sponsor, and are they committed? Who should be involved in the process as a champion, and if not as a champion, as a participant? Is there a person or team within the Department who is responsible for this plan, who will be our point of contact on day-to-day issues related to the planning process (scheduling, information, logistics, etc.)? What is the expectation for hands-on involvement by the Department Director, Commissioners, Council Members, or others?

- **Establish Focus**: What is in scope and what is out of scope for this effort? If the planning horizon is 20 years (2030) how much detail is needed at 1, 5, and 10 years for the plan to be optimally useful? What are the values that drive the Department's operating philosophy, management practices and how employees are rewarded for performance. For a strategic plan to succeed it must be in alignment with the organization's values as actually practiced.

- **Set Goals**: Beyond the creation of the documents, beyond complying with regulations, how will the City use the strategic planning process to further the organization's development? How will we make sure that the resulting documents are practical and useful to the success of the organization? What are the goals that will define success of the planning process?

- **Finalize Process**: How will we define the words used in the planning process (e.g., strategy, objectives, goals, targets, etc.)? How and when shall we meet? Has the approach been customized to account for staff availability to participate, technical expertise in house, City culture and attitudes toward planning, etc. At the conclusion of this phase, a detailed calendar will be completed outlining specific steps, roles, responsibilities, and completion dates.

- **Conservation Plan**
  A Water Conservation Plan being developed by Madduas Water Management Group for the Department. As part of our overall effort, we will conduct workshops with the Utilities Commission and the City Council to determine the best conservation methods to help meet the 20 percent goal by 2020. The outcome from those workshops will be provided to Madduas so they can complete their plan work.

Phase 2

Situation Analysis

- Assess Internal Conditions
- Assess External Conditions
- Clarify the Mission
- Understand Stakeholders
- Review Mandates

Schedule Feb.

Activities:
Staff Kick-off
Workshop 1: Situation Analysis

Staff and Stakeholder Meetings

Deliverables:
Workshop Summary

Situation Analysis Report

Phase 2: Situation Analysis

The situation analysis helps the Department become aware of the internal and external situation that affects the organization and the planning process. The analysis will include:

Assess Internal Conditions
- Resources: people, economic, information, competencies
- Present Strategy: overall and by functions, existing plan documentation
- Performance: history and results

Assess External Conditions
- Forces/trends: political, economic, social, technical, environment, legal
- Competitive Forces/Collaborative Forces

Clarify the Mission
The Department has a mission statement. This effort will review the mission statement to ensure consistency with the strategic plan.

Understand Stakeholders
Learn the priorities of the Department's internal and external stakeholders: Department personnel, Commissioners, City Council Members, other City departments, peer water organizations, and the military.

Review Mandates
List all mandates that have a bearing on the operations of the Department and highlight any new or changed regulations that are not accounted for in the last plan.

Phase 3

Articulate Strategic Issues

- Clarify Fundamental Challenges
- Name Key Focus Areas

Phase 3: Articulate the Strategic Issues

Strategic issues are the fundamental challenges affecting an organization's mandates, mission, values, product or service level and mix, customers, cost, financing, capital improvements, organization, or management. How the Department's strategic issues are framed will determine whether they are likely to be politically acceptable and technically workable. How the Department's strategic plan process frames and resolves the gaps between its strengths, weaknesses, opportunities and threats has a lot to do with whether its final plan recommendations will be adopted or blocked. Once the most important strategic issues and key focus areas are clear, that sets the stage for making the strategic choices.

Strategic issues that have already been raised include:

- Reliability of water supply to include: treatment, distribution, system operation and maintenance
- Desalinization and other water sourcing strategies
- Capacity and use of recycled water
- Upgrade and construction of waste water facilities that meet the City's evolving demands and integrate with growing water reclamation requirements
- Collaboration with peer water agencies, the military, MWD, and SDCWA
- Compliance with regulations related to sanitary sewer overflows
- Leverage information technology for data collection, analysis, monitoring, scheduling, reporting, smart metering
- Fiscal rational for proposed rate and fee changes

Schedule

Mar.

Activities:
Staff Workshop 2: Strategic Issues

Deliverables:
Workshop Summary

Strategic Issues Report

Phase 4

Make the Strategic Choices

- Generate Practical Alternatives
- Analyze Barriers
- Envision Success
- Define Operating Values
- Establish Objectives

Schedule Apr.

Activities:
Staff Workshop 3: Strategic Choices

Deliverables:
Workshop Summary

Strategic Choices Report

Phase 4: Make the Strategic Choices

Based on the Situation Analysis and Articulating the Strategic Issues, having narrowed down to the Key Focus Areas, the participants will be guided through a process to make the major decisions that will ultimately guide the detail of the strategic plan. Components of this phase include:

- **Generate Practical Alternatives** – while any planning process can generate ideas that are perhaps brilliant, but not implementable, this activity focuses on what can actually be accomplished.

- **Analyze Barriers** – many perfectly good solutions to current strategic issues exist but are hindered by barriers. In some cases, simply addressing the barriers will allow resolution of strategic issues without entirely new approaches. The barriers more often than not relate to collaboration, communications, and relationships.

- **Envision Success** – keeping to the pragmatic tone of this approach, the visioning activity serves to clarify what success looks like – the ideal expression of our mission and strategies.

- **Define Operating Values** – these are the enduring beliefs that drive organizational and individual behavior. Shared values shape the organizational culture, operating practices, and performance standards. These must be aligned with the elements of the strategic plan so they are not at cross purposes.

- **Establish Objectives** – These are the major goals associated with solving each of the major strategic issues. Each will need to be specific enough to be measured.

This phase completes the high-level, directional aspect of the overall strategic plan and will address strategic issues related to the new Water Conservation Plan and each of the sub-plans of the IWUMP:

- Water Master Plan
- Recycled Water Master Plan
- Wastewater Master Plan
- Sanitary Sewer Management Plan
- Information Technology Master Plan
- Financial Plan

Phase 5

Plan to Implement the Strategies

- Establish Measures
- Define Targets
- Develop Initiatives
- Create Communication Strategy & Plans
- **Commission & City Council Workshops for Feedback**

Schedule

May

Activities:
Staff Workshop 4: Implementing Strategies

Workshops for Strategic Plan
- Commission
- Council

Deliverables:
Staff Workshop Summary

Draft Strategic Plan Report, PowerPoint

Phase 5: Plan to Implement Strategies

Based on the direction set in Phase 4, this phase lays out the framework for managing how to implement the strategies. This management framework includes:

- **Establish Measures** – Defining the metrics by which progress will be assessed is critical before developing initiatives and action plans. These are the quantitative and qualitative terms by which success is measured. This will be a relatively short list of critical metrics so that it is manageable. This provides the Department with tools for not only day to day operations, but also communicating with stakeholders.

- **Define Targets** – For each of the measures, a specific target must be established so that progress can be assessed – is the Department moving closer or farther from the target for each measure.

- **Develop Initiatives** – Develop Departmental initiatives that will achieve the specified targets. These should include assigned personnel, resources, timelines, etc.

- **Create Communication Strategy & Plans** – this very important component is often neglected and is critical to the success of the implementation of the strategic plan. Plans, projects, and milestones and activity should be communicated to stakeholders on a regular basis to keep all informed and engaged in the process. The communication strategy and plans will be instrumental in keeping the Commissions and City Council updated and supportive of the Department's implementation of the strategic plan. Internally, this can also be used as a tool to recognize and reward individual and team accomplishments in the Department.

Commission & City Council Workshops for Feedback – As this phase concludes, workshops will be conducted with the Commission and City Council. These will include presentation of draft strategic plan documents and a summary PowerPoint slide show. The goal of the workshops is to answer Commissioner and Council questions and gather feedback on plan elements. The comments gathered at these events will be incorporated into the final plan document developed in the next phase.

Phase 6

Plan to Evaluate & Monitor

Develop Approaches to:

- Tracking Progress
- Celebrating Successes
- Making Course Corrections
- **City Council Presentation for Plan Approval**

Schedule Jun.

Activities:
Presentation to Council

Meetings with Staff to Finalize Strategic Plan

Deliverables:
Meeting Summary

Final Strategic Plan Report, PowerPoint

Phase 6: Plan to Evaluate & Monitor

This important component is designed to ensure that as the plan is implemented progress can be tracked, acknowledged in the organization, and that flexibility is built in to account for changes in conditions along the way:

- **Tracking Progress** – Regular check-ins will be conducted to evaluate and monitor progress on initiatives toward milestones and targets. These tracking approaches will be developed with staff to make them consistent with the Department's best project management practices.

- **Celebrating Success** – Departments are typically so busy that once milestones and targets are achieved, they simply move on to the next. To keep morale and commitment to the strategic plan's objectives, it is important to celebrate successes and acknowledge individual and team contributions.

- **Making Course Corrections** – as conditions change during the implementation of the strategic plan, course corrections will be required. Anticipating this by identifying what will trigger minor versus major strategic adjustments and how the Department will respond needs to be built into the plan from the start.

City Council Presentation – As this phase concludes, a presentation of the final strategic plan documents and a PowerPoint summary will be made to the City Council. The goal of this presentation is to gain City Council approval for the strategic plan.

Proposal Details: Project Schedule & Budget

Schedule

Jan	Feb	Mar	Apr	May	Jun
Activities: Meetings with project sponsor and key staff Workshops for Conservation Plan - Commission - Council	**Activities:** Staff Kick-off Workshop 1: Situation Analysis Staff and Stakeholder Meetings	**Activities:** Staff Workshop 2: Strategic Issues	**Activities:** Staff Workshop 3: Strategic Choices	**Activities:** Staff Workshop 4: Implementing Strategies Workshops for Strategic Plan - Commission - Council	**Activities:** Presentation to Council Meetings with Staff to Finalize Strategic Plan
Deliverables: Final process document for strategic planning flow Input to Conservation Plan for Madduas	**Deliverables:** Workshop Summary Situation Analysis Report	**Deliverables:** Workshop Summary Strategic Issues Report	**Deliverables:** Workshop Summary Strategic Choices Report	**Deliverables:** Staff Workshop Summary **Draft Strategic Plan Report, PowerPoint**	**Deliverables:** Meeting Summary **Final Strategic Plan Report, PowerPoint**

Budget

Jan	Feb	Mar	Apr	May	Jun
Consultant days: 11 X $1,650 = $18,150	**Consultant days:** 7 X $1,650 = $11,550	**Consultant days:** 6 X $1,650 = $9,900	**Consultant days:** 7 X $1,650 = $11,550	**Consultant days:** 15 X $1,650 = $24,750	**Consultant days:** 14 X $1,650 = $24,750

Total Project Budget: $99,000 **

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Assumptions Our Approach, Project Schedule & Budget are based on parameters given to us in the RFP and during one meeting with Greg Blakely, Administrative Manager, City of Oceanside, that was attended by the other candidates.

Should we be selected as the vendor for this project, we would expect to revisit every aspect of this proposal with the project sponsors before we execute a contract. Our goal is always to fine tune our approach, schedule, and budget, so that our work is a perfect match for client goals and expectations.