



AGENDA REPORT

Meeting Date: February 16, 2010
Item Number: F-7
To: Honorable Mayor & City Council
From: Timothy J. Scranton, Fire Chief
Subject: **AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND CITYGATE ASSOCIATES, LLC. FOR ORGANIZATIONAL AND MANAGEMENT ANALYSIS OF THE FIRE DEPARTMENT; AND**

APPROVAL TO ISSUE A PURCHASE ORDER IN THE NOT-TO-EXCEED AMOUNT OF \$71,948 FOR THOSE SERVICES

Attachments: 1. Agreement

RECOMMENDATION

It is recommended that the City Council approve an agreement with CityGate Associates consulting group and approve issuance of a purchase order in the not-to-exceed amount of \$71,948 for the services.

INTRODUCTION

This report requests City Council approval of an agreement with CityGate Associates, LLC (CityGate) for management consulting services to perform a general organizational and management analysis of the Fire Department (the Department) and produce with staff assistance, a strategic plan document. Based on the results of this engagement, the Department expects to initiate changes that will result in improvements to fiscal responsibility, customer service, management effectiveness, and strategic planning for the future.

THE COUNCIL WILL BE ADVISED IF THE
SIGNED AGREEMENT HAS NOT BEEN RECEIVED
BY TUESDAY.

DISCUSSION

Organizationally, the Department consists of the following divisions: Fire Administration (Departmental communications, data and records management systems, strategic planning, etc.), Fire Prevention (Code Enforcement, Plan Check, Special Events and Fire Investigation), Emergency Response Services (Fire Suppression, Urban Search and Rescue, Suppression/Certification and Training, EMS Calls for Service, EMS Program Management and EMS Certification and Training) and Fire Community Programs (Community Emergency Response Team and Public Access Defibrillators) . The Department's FY 2009/10 adopted budget totals \$ 29,157,572 and provides for 87 full-time positions, including 79 sworn personnel and 8 civilians, and 1.8 FTE part-time positions.

Due to the complexity of the Department and the many issues associated with its integration, the City Manager initiated a process to hire a management consultant to evaluate the Department and provide recommendations for improvements.

On November 10, 2009, staff sent a Request for Proposals (RFP) to thirteen qualified firms and by December 4, 2009, received proposals from six firms in response to the RFP: 1) Matrix Consulting Group, 2) Arroyo Associates Inc., 3) Emergency Services Consulting International (ESCI), 4) CityGate Associates LLC, 5) Thomas Consulting and 6) TriData Division of System Planning Corporation. Matrix, CityGate, TriData and Emergency Services Consulting International (ESCI) were interviewed by a panel consisting of representatives from the Department and the City Manager's Office on January 12, 2010. CityGate was chosen as the most qualified and suitable candidate for this effort, and a scope of services and fee were negotiated and incorporated in the agreement that the City Council is requested to approve herein.

CityGate will gather data through interviews (with City staff and selected stakeholders) site visits, and requests for available data. After CityGate analyzes the data, it will prepare a report that summarizes its recommendations and presents action plans for implementing opportunities for improvement. Further, during the engagement they will help develop the planning capabilities of Fire department staff and produce a Strategic Plan document.

The six main tasks shown below summarize the methodology CityGate will follow to complete the services included in the agreement.

TASK NO.	DESCRIPTION
1	Initiate and manage the project, data collection, interviews, and environmental analysis; develop mission/vision
2	Deployment review of the fire and emergency medical services delivery system; strategic business modeling
3	Stakeholder meetings and documentation review to analyze non-deployment Issues
4	Complete a performance audit and gap analysis to set a benchmark for achieving new strategies; develop operational plans.
5	Forecast resource needs; conduct final service delivery models and prepare integrated review report
6	Prepare and deliver the final report with executive summary, recommendations and costs, and the strategic plan document.

CityGate will work closely with the staff from the Department and the City Manager's Office throughout the whole process. Ultimately, the report and implementation plan will be presented to the City Council for information. Any budget changes necessary to implement CityGate's recommendations will be incorporated into a future budget proposal.

FISCAL IMPACT

Funds for these services are provided in the Policy and Management Contractual Services Account (4800101-73120).



Scott G. Miller, Director
Finance Approval

Timothy J. Scranton, Fire Chief *TJS*
Fire Department Approval

Mahdi Aluzri, Assistant City Manager *MA*
City Manager's Office Approval

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
CITYGATE ASSOCIATES, LLC FOR ORGANIZATIONAL AND
MANAGEMENT ANALYSIS OF THE FIRE DEPARTMENT

NAME OF CONSULTANT:	CITYGATE ASSOCIATES, LLC
RESPONSIBLE PRINCIPAL OF CONSULTANT:	David C. DeRoos, MPA, CMC, President
CONSULTANT'S ADDRESS:	2250 East Bidwell Street Folsom CA 95630 Attention: David C. DeRoos, MPA, CMC, President
CITY'S ADDRESS:	City of Beverly Hills 455 N. Rexford Drive Beverly Hills, CA 90210 Attention: Mark Embry, Deputy Fire Chief
COMMENCEMENT DATE:	February 22, 2010
TERMINATION DATE:	September 30, 2010
CONSIDERATION:	\$ 71,948.00

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
CITYGATE ASSOCIATES, LLC FOR ORGANIZATIONAL AND
MANAGEMENT ANALYSIS OF THE FIRE DEPARTMENT

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and CityGate Associates, LLC (hereinafter called "CONSULTANT").

RECITALS

A. CITY desires to have certain services and/or goods provided as set forth in Exhibit A (the "Scope of Work"), attached hereto and incorporated herein.

B. CONSULTANT represents that it is qualified and able to perform the Scope of Works.

NOW, THEREFORE, the parties agree as follows:

Section 1. CONSULTANT's Scope of Work. CONSULTANT shall perform the Scope of Work described in Exhibit A in a manner satisfactory to CITY and consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. CITY shall have the right to order, in writing, changes in the Scope of Work. Any changes in the Scope of Work by CONSULTANT must be made in writing and approved by both parties. The cost of any change in the Scope of Work must be agreed to by both parties in writing.

Section 2. Time of Performance. CONSULTANT shall commence its services under this Agreement upon receipt of a written notice to proceed from CITY. CONSULTANT shall complete the performance of services by the Termination Date set forth above and/or in conformance with the project timeline established by the City Manager or his designee.

Section 3. Compensation.

(a) Compensation. CITY agrees to compensate CONSULTANT for the services and/or goods provides under this Agreement, and CONSULTANT agrees to accept in full satisfaction for such services, a sum not to exceed the Consideration set forth above and more particularly described in Exhibit B, attached hereto and incorporated herein

(b) Expenses. The amount set forth in Exhibit B shall include reimbursement for all actual and necessary expenditures reasonably incurred in the performance of this Agreement (including, but not limited to, all labor, materials, delivery, tax, assembly, and installation, as applicable). There shall be no claims for additional compensation for reimbursable expenses.

(c) Additional Services. CITY may from time to time require CONSULTANT to perform additional services not included in the Scope of Services. Such requests for additional services shall be made by CITY in writing and agreed upon by both parties in writing.

Section 4. Method of Payment. Unless otherwise provided for herein, CONSULTANT shall submit to CITY a detailed invoice, on a monthly basis or less frequently, for

the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Within 30 days of receipt of each invoice, CITY shall pay all undisputed amounts included on the invoice. CITY shall pay CONSULTANT said Consideration in accordance with the schedule of payment set forth in Exhibit B, attached hereto and incorporated herein.

Section 5. Independent Contractor. CONSULTANT is and shall at all times remain, as to CITY, a wholly independent contractor. Neither CITY nor any of its agents shall have control over the conduct of CONSULTANT or any of CONSULTANT's employees, except as herein set forth. CONSULTANT shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

Section 6. Assignment. This Agreement shall not be assigned in whole or in part, by CONSULTANT without the prior written approval of CITY. Any attempt by CONSULTANT to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

Section 7. Responsible Principal(s)

(a) CONSULTANT's Responsible Principal set forth above shall be principally responsible for CONSULTANT's obligations under this Agreement and shall serve as principal liaison between CITY and CONSULTANT. Designation of another Responsible Principal by CONSULTANT shall not be made without prior written consent of CITY.

(b) CITY's Responsible Principal shall be the City Manager or his designee set forth above who shall administer the terms of the Agreement on behalf of CITY.

Section 8. Personnel. CONSULTANT represents that it has, or shall secure at its own expense, all personnel required to perform CONSULTANT's Scope of Work under this Agreement. All personnel engaged in the work shall be qualified to perform such Scope of Work.

Section 9. Permits and Licenses. CONSULTANT shall obtain and maintain during the Agreement term all necessary licenses, permits and certificates required by law for the provision of services under this Agreement, including a business license.

Section 10. Interests of CONSULTANT. CONSULTANT affirms that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the Scope of Work contemplated by this Agreement. No person having any such interest shall be employed by or be associated with CONSULTANT.

Section 11. Insurance.

(a) CONSULTANT shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

(1) A policy or policies of Comprehensive General Liability Insurance, with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by CONSULTANT.

(2) A policy or policies of Comprehensive Vehicle Liability Insurance covering personal injury and property damage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence combined single limit, covering any vehicle utilized by CONSULTANT in performing the Scope of Work required by this Agreement.

(3) Workers' compensation insurance as required by the State of California.

(4) CONSULTANT shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, a policy or policies of Professional Liability Insurance, with minimum limits of One Million (\$1,000,000) Dollars.

(b) CONSULTANT shall require each of its sub-contractors to maintain insurance coverage which meets all of the requirements of this Agreement.

(c) The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+;VII in the latest edition of Best's Insurance Guide.

(d) CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, CITY may take out the necessary insurance and pay, at CONSULTANT's expense, the premium thereon.

(e) At all times during the term of this Agreement, CONSULTANT shall maintain on file with the City Clerk a certificate or certificates of insurance on the form set forth in Exhibit C, attached hereto and incorporated herein, showing that the aforesaid policies are in effect in the required amounts. CONSULTANT shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The general liability insurance shall contain an endorsement naming the CITY as an additional insured. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days prior written notice to CITY, and specifically stating that the coverage contained in the policies affords insurance pursuant to the terms and conditions as set forth in this Agreement.

(f) The insurance provided by CONSULTANT shall be primary to any coverage available to CITY. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation.

(g) Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

Section 12. Indemnification. CONSULTANT agrees to indemnify, hold harmless and defend CITY, City Council and each member thereof, and every officer, employee and agent of CITY, from any claim, liability or financial loss (including, without limitation, attorneys fees and costs) arising from any intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONSULTANT or any person employed by CONSULTANT in the performance of this Agreement.

Section 13. Termination.

(a) CITY shall have the right to terminate this Agreement for any reason or for no reason upon five calendar days' written notice to CONSULTANT. CONSULTANT agrees to cease all work under this Agreement on or before the effective date of such notice.

(b) In the event of termination or cancellation of this Agreement by CITY, due to no fault or failure of performance by CONSULTANT, CONSULTANT shall be paid based on the percentage of work satisfactorily performed at the time of termination. In no event shall CONSULTANT be entitled to receive more than the amount that would be paid to CONSULTANT for the full performance of the services required by this Agreement. CONSULTANT shall have no other claim against CITY by reason of such termination, including any claim for compensation.

Section 14. CITY's Responsibility. CITY shall provide CONSULTANT with all pertinent data, documents, and other requested information as is available for the proper performance of CONSULTANT's Scope of Work.

Section 15. Information and Documents. All data, information, documents and drawings prepared for CITY and required to be furnished to CITY in connection with this Agreement shall become the property of CITY, and CITY may use all or any portion of the work submitted by CONSULTANT and compensated by CITY pursuant to this Agreement as CITY deems appropriate.

Section 16. Records and Inspections. CONSULTANT shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of 3 years. CITY shall have access, without charge, during normal business hours to such records, and the right to examine and audit the same and to make copies and transcripts therefrom, and to inspect all program data, documents, proceedings and activities.

Section 17. Changes in the Scope of Work. The CITY shall have the right to order, in writing, changes in the scope of work or the services to be performed. Any changes in the scope of work requested by CONSULTANT must be made in writing and approved by both parties.

Section 18. Notice. Any notices, bills, invoices, etc. required by this Agreement shall be deemed received on (a) the day of delivery if delivered by hand during the receiving party's regular business hours or by facsimile before or during the receiving party's regular business hours; or (b) on the second business day following deposit in the United States mail, postage prepaid to the addresses set forth above, or to such other addresses as the parties may, from time to time, designate in writing pursuant to this section.

Section 19. Attorney's Fees. In the event that either party commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

Section 20. Entire Agreement. This Agreement represents the entire integrated agreement between CITY and CONSULTANT, and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both CITY and CONSULTANT.

Section 21. Exhibits; Precedence. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.

Section 22. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 23. City Not Obligated to Third Parties. CITY shall not be obligated or liable under this Agreement to any party other than CONSULTANT.

Section 24. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

EXECUTED the ____ day of _____ 20____, at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation

NANCY KRASNE
Mayor of the City of Beverly Hills, California

ATTEST:

_____(SEAL)
BYRON POPE
City Clerk

CONSULTANT:
CITYGATE ASSOCIATES, LLC

DAVID C. DeROOS, MPA CMC
President

APPROVED AS TO FORM

APPROVED AS TO CONTENT

LAURENCE S. WIENER
City Attorney

TIMOTHY SCRANTON
Fire Chief

KARL KIRKMAN
RISK MANAGER

EXHIBIT A
SCOPE OF WORK

CONSULTANT shall perform the following services:

Section 1—Work Plan and Scope of Work

1.1 Overview of Work Plan

CONSULTANT's Work Plan to conduct a general organizational and management analysis of the CITY Fire Department (the "Department") *along with strategic planning assistance* is presented in this section. CONSULTANT understands that the CITY requires in the performance review work an assessment of current emergency response services/operations provided by the Department. The performance review should identify gaps—if any—in operations and resources; develop recommendations to maximize current Fire Department operations and resources; and, identify "best practices" that may be appropriate for application in CITY.

CONSULTANT has prepared a work plan that combines the requested performance review and deployment analysis items *combined with strategic planning*. CONSULTANT believes in Applied Strategic Planning, which is a plan that, when finished, contains implemental action plans for each strategy. While this necessitates more work for the Department planning team and consultants, CONSULTANT believes that it leads to a better and actually more usable work product over the required time horizon.

As such, CONSULTANT has prepared a proposal that will produce an *applied* strategic plan. CONSULTANT's fundamental approach is to use as necessary the tenants of Applied Strategic Planning¹ as described by Goodstein, Nolan and Pfeiffer. In our fire service and consulting careers, CONSULTANT agrees with these authors that a successful planning effort is, "a process by which the guiding members of an organization envision its future and develop the necessary procedures and operations to achieve that future."

CONSULTANT's team members really believe in this "applied" part to planning. Being strategic and even correctly forecasting the future is not enough, without a *detailed* plan on how to achieve it. CONSULTANT recognizes that many variables enter into the Department's picture from now to 2015. As Eisenhower said before D-Day, "The plan itself is nothing, planning is everything." A major part of its effort will include the CONSULTANT consulting team teaching and coaching the Department's planning team to develop the necessary organizational planning skills and abilities for internal staff to keep the produced plan current going forward and to adjust it to unforeseen circumstances. In essence, CONSULTANT shall develop and leave behind an internal team (fire department staff) of planning consultants, who will be able to continue the strategic planning process, revising and updating the plan in the future.

CONSULTANT's Work Plan is comprised of six (6) tasks, and will be explained throughout this section.

¹ Goodstein, Leonard D., Timothy M. Nolan, J. William Pfeiffer. Applied Strategic Planning. McGraw-Hill, Inc. New York. 1993.

It has to be noted at this point, that CONSULTANT has proposed a six-month project timeframe. Thus, CONSULTANT has made three assumptions to this Work Plan to include the needed elements for a successful applied strategic plan:

1. That Department staff already have much of the background material ready for use, such as demographic information, growth forecasts and other environmental scan information. Additionally, given the Fire Department's work done to date on mission and values, this part of the process should go more quickly than normal. A complete overhaul and creation of a dramatically new mission and values set will take considerably more time.
2. That Department staff is able to make the time commitment for at least two meetings per month on some occasions and can dedicate the "desk time" to gather and analyze information as needed.
3. That meetings and workshops can be combined to maximize consultant time in CITY and hold down travel costs and time.

Based on these three assumptions, CONSULTANT has collapsed some of the planning elements into joint phases, as well as used aggressive scheduling.

CONSULTANT shall review its Work Plan and schedule with CITY project team prior to beginning work. After obtaining additional input, CONSULTANT shall finalize its Work Plan and the accompanying schedule.

CONSULTANT's Work Plan has been developed consistent with its Project Team member's experience in city management and fire administration. It utilizes various National Fire Protection Association (NFPA) publications as best practice guidelines, the Insurance Service office (ISO), along with the self-assessment criteria of the Commission on Fire Accreditation International. CONSULTANT does not use simple, nor one-size-fits-all measures.

This CONSULTANT team strength means we are able to develop specific recommendations tailored to the local situation that are implementable as part of an applied strategic plan as well as an assessment of the current situation. CONSULTANT shall identify specific areas of what is working well, where improvements are needed, and what new resources, if any, would be needed to implement the recommendations. Recommendations will also take into account CITY and Department's ability to implement them.

One of the beauties of Applied Strategic Planning is that the department will own the plan. CONSULTANT's recommendations will be the department's recommendations as well, because as the staff team goes through the process they will be the ones who ultimately develop the recommendations with consultant assistance.

(a) 1.2 Fire Services Review Components

To best understand the fire services provided by Beverly Hills Fire, CONSULTANT will analyze the following elements as requested in the CITY's RFP:

- ◆ Review all administration, fire prevention and all-risk emergency response programs;

- ◆ Identify whether key stakeholders' expectations are being met. Key stakeholders are mutual aid partner agencies, CITY Management and the City Council;
- ◆ Listen to the Department's workforce in meetings and using an on-line survey;
- ◆ Examine:
 - The Department's overall emergency response services strategies;
 - Its current level of services;
 - The cost of service in each service area;
 - Appropriate staffing levels;
 - The organizational structure, to include but not be limited to, the Department's management policies, administrative functions, customer service standards, use of overtime, dispatch and call response procedures, equipment usage, capacity and replacement, workload indicators and performance measures, incident data and workload trends, population and demographic data.
- ◆ Review the Department's succession planning and staff development programs in terms of current development and promotional processes, in-house and outside educational opportunities, internal and external certification processes, as well as opportunities to gain experience by working "up" in temporary assignments;
- ◆ Review the services that the Department receives from other CITY departments. This review will include an examination of services received from Information Technology, Administrative Services and Public Works (primarily facilities maintenance, fleet services and capital project implementation) to determine if the current client/manager relationship that the Department maintains with these external departments is the most efficient method of obtaining these services;
- ◆ Conduct a gap analysis in each review area to identify areas of high performance and areas that present opportunities for improvement. Gaps or needs—if any—will be identified in current policies, practices and/or resource allocation that may be impacting public safety goals and outcomes;
- ◆ Make findings of fact and improvement recommendations where needed as to organizational structure, administration, staffing, training requirements, program refinements, new strategies, and resource modifications that might be required to better or more cost-effectively achieve community safety objectives;
- ◆ Using industry best practices, identify best practices and innovations that fit CITY in all-risk emergency response services, medical services, fire prevention programs, training programs for fire personnel, and community programs—such as the Community Emergency Response Team (CERT) and Public Access Defibrillator (PAD) educational programs. Such recommendations shall be both relevant and practical for CITY to consider in meeting its public safety and emergency preparedness goals;
- ◆ Recommendations will include cost considerations and organizational capacity to implement services and programs, as well as the potential to achieve measurable results.

(b) 1.3 Strategic Plan Components

Concurrent with the review described above, the fire department staff and CONSULTANT shall develop and publish an applied strategic plan. From Applied Strategic Planning, the components of that plan are:

- ◆ Planning to Plan – This is an in-depth consideration of how the planning itself will be conducted.
- ◆ Values Scan – Every organization has tacit assumptions about the way the world works that have profound consequences on how members of that organization perceive and interact with suppliers, customers, competitors, employees, labor unions, governments and others. Without understanding these assumptions—or mindsets—an organization is unlikely to understand fully the behavior of its members, much less to be able to modify that behavior.
- ◆ Mission Formulation – One of the most important and, often, one of the most difficult aspects of the strategic planning process is the development of a mission statement. It should be a brief, clear statement of the reasons for an organization's existence, the purposes or functions it desires to fulfill, its primary customer base, and the primary methods through which it intends to fulfill this purpose.
- ◆ Strategic Business Modeling – Strategic business modeling is the process by which the organization more specifically defines success in the context of the business it wants to be in, how that success is measured, what will be done to achieve it, and what kind of organization culture is necessary to achieve this success, while remaining consistent with the newly established mission statement.
- ◆ Performance Audit – In short, the performance audit is a concerted effort to identify “what is”—where the organization is today.
- ◆ Gap Analysis – After the performance audit is completed, it is necessary to identify gaps between the current performance of the organization and the performance required for the successful realization of its strategic business model.
- ◆ Integrating Action Plans – Each of the various constituent units of the organization develop detailed operational plans that reflect the grand strategy and they are integrated into a comprehensive plan.
- ◆ Contingency Planning – Since the future is always different than anticipated, the most important contribution that contingency planning can make to an organization is the development of a *process* for identifying and responding to unanticipated or less-likely events.
- ◆ Implementation – The payoff of strategic planning is in its application, in the execution and implementation of the strategic plan. The aim of strategic planning is to develop a better road map to guide the organization.
- ◆ Concurrent with the planning process, two other factors come into play:
 - Environmental Monitoring – All organizations have a vital need to track what is occurring, or about to occur, in their environment. Only by monitoring an organization's

environment can the organization track and understand the changes that it is undergoing.

- Application Considerations – Even though the implementation phase is the final step of the Applied Strategic Planning model, application or implementation must continually take place throughout the strategic planning process.

(c) 1.4 CONSULTANT Review Technical Components

In addition to the usual and customary techniques of reviewing agency documents and conducting stakeholder listening interviews, CONSULTANT will also:

- ◆ Use an incident response time analysis program called *NFIRS 5 Alive™* to review the statistics of prior incident performance. The results will be plotted not only on graphs and charts, but “live” using 3D tools over Google Earth images.
- ◆ Assess fire department member perceptions and expectations of Fire Services – issue SWOT questionnaires to *employees* (**S**trengths, **W**eaknesses, **O**pportunities & **T**hreats) plus an Internet-based survey instrument to Departmental *and*, as appropriate, CITY employees that interact with the Fire Department to listen to what the perceptions of the Department are and how it is or is not meeting needs.

As for headquarters systems review, CONSULTANT will use the Commission on Fire Accreditation International self-assessment criteria and National Fire Protection Association Standard 1201, *Standard for Providing Emergency Services to the Public* as performance indicators and other NFPA standards as the basis for evaluating non-response related services, such as fire prevention, training and administration. The study will identify the current workload, staffing, and facilities and compare these current services to current and forecasted workloads in the Department. This will be an in-depth data and personnel interview driven study reviewing, at a minimum, the following typical fire department functions:

1. Emergency Medical Services – A review of the operational and support needs of the CITY’s fire department based EMS system.

Fire Prevention – are the legal authorities, established policies and procedures for development, implementation and enforcement of relevant codes adequate for the community’s needs?

- CONSULTANT will review the authorities, codes, policies and procedures as well as interview staff.
- The review will include the impacts of new construction, downtown code enforcement programs and urban-wildland interface code planning.

Investigations – does the program of investigation of fires and other emergencies assist with the development of an effective hazard and risk prevention program?

Public Education – does the program work in concert with school systems, community organizations, special interest groups, corporate partners and government agencies in delivering public safety information regarding fire, medical emergency, natural disaster, and other threats?

Disaster Preparedness – does the current Emergency Operations Plan and training program adhere to best practices and meet the foreseeable needs of the CITY and its inter-governmental partners?

Hazardous Materials – do the Hazardous Materials Response and code enforcement programs provide for effective planning, enforcement, and response?

Administrative Support Positions – are the office support positions and other positions such as budget, training, and emergency medical services adequately staffed and designed to meet the needs of the Department?

Training Program – do the training and education programs and systems meet or exceed current best practices including those related to special operations?

Safety and Health – is there a risk management program that focuses on firefighter safety and health, and meets legal standards and best practices?

Information Systems – are the current data systems able to support the Department's service delivery programs, provide the management team the needed information, and interface as appropriate with other CITY department systems?

Capital Facilities and Apparatus – are the stations sized and designed to support the equipment and personnel assigned? Do they meet current seismic and essential facilities state requirements? Are the fire apparatus appropriately designed to meet the CITY's needs and are they adequately maintained? Does a fleet replacement plan and funding exist?

Fire Department Fees – does the Department have an appropriate and current fee schedule for regulatory and emergency services? Does a new development impact fee exist to assist with any needed new capital facilities and equipment needs?

Special Issues – what are the impacts on departmental operations from specialty businesses such as the entertainment industry?

Work Plan Task Sequence

CONSULTANT's Work Plan is presented on the following page as six tasks over a six month time period. Throughout the entire project duration, we will monitor engagement progress and completion of tasks, including providing monthly written status reports and oral communications, as needed.

(1)

Task 1: Initiate and Manage the Project, Data Collection, Interviews, and Environmental Analysis; Develop Mission/Vision

(2) Month 1

(3) Subtasks:

The CONSULTANT team and CITY project representatives will hold a startup meeting to refine the issues to be addressed by and the objectives of: schedule, budget, and methods of data collection and analysis for this study.

- ◆ Develop detailed Work Plan schedule for the project
 - CONSULTANT *will develop a detailed work schedule and final project schedule for the project. These tools will assist both the consultants and CITY staff to monitor the progress of the study.*
- ◆ Meet with CITY staff representatives to initiate study
 - *A key to a successful consulting engagement is a mutual understanding of the project's scope and objectives. The senior members of our team will meet with the CITY representatives to correlate our understandings of the study's scope, and ensure that our Work Plan and project schedule are mutually agreeable. In our experience, this early effort to clearly define expectations, roles and lines of communications results in a better focus on substantive issues as the engagement progresses.*
- ◆ Obtain and review CITY/Department documentation
 - *At this juncture in the project CONSULTANT will develop and submit a list of all documents relevant to this project, including the CITY's General Plan, growth forecasts, any appropriate prior studies, Department documentation including (as available) dispatch data, fleet inventory, facility condition assessments, current personnel, equipment and other operating costs and a myriad of other information. Once CONSULTANT receives the requested documentation from the Department, CONSULTANT shall review it prior to conducting its interviews in the following subtask. CONSULTANT has found that reviewing this information prior to its interviews improves the effectiveness and value of the interviews it conducts, since it results in more specific questions and more definitive information.*
- ◆ Interview CITY/Department leadership and Fire Chief
 - *To enhance CONSULTANT's understanding of the issues at stake in this project, CONSULTANT shall meet with, as appropriate and directed, the City Council members and Fire Chief, as well as members of the CITY staff who frequently interact with or have an interdependent relationship with the Department.*

- ◆ Interview Fire Department staff
- *To enhance our understanding of the issues at stake in this project, we will meet with, as appropriate and directed, the members of the Department.*
- ◆ Strategic Planning – Begin Environmental Analysis
 - *This first planning sub-task has to collect a variety of information about the environment in which the Department operates and assess how its services or lines of business will be affected in the future by changes in the CITY service area and beyond. As such, CONSULTANT will assist the planning team by identifying, collecting and analyzing information from a broad set of sources such as, but not limited to, the items a-k in the list below as well as: service area growth rates, population demographic changes, the fire service regulatory environment, the revenue situation to provide services and generational changes in the workforce.*
 - a. *Demographics*
 - b. *Economic factors*
 - c. *Technological factors*
 - d. *Political factors*
 - e. *Cultural factors (internal and external)*
 - f. *Legislative mandates*
 - g. *Organizational mandates*
 - h. *Identification of competition*
 - i. *Customer satisfaction*
 - j. *Organizational structure*
 - k. *Ethics and diversity issues.*
- ◆ Strategic Planning – Mission and Values
 - *Once the joint planning team has a solid foundation of the factors driving the need for services from the environmental scan and an understanding of the necessary values to ensure the organization's success, then CONSULTANT can facilitate the Department planning team in fine-tuning, as needed, Departmental mission and vision statements.*

(4) Meetings

There will be one on-site trip during this task to kick-off the project, establish relationships, begin stakeholder interviews, and set the information gathering into agreement and motion. Also, CONSULTANT shall conduct a workshop/research meeting with the Department's planning staff to begin the environmental analysis by assembling environmental data that was not included in the initial documentation. "Tune-up" of Departmental mission and values statements will also occur in this workshop.

(5) Task Duration

This task will last through the first month of the project as CONSULTANT meets with the CITY staff to kick off the project, conducts interviews, and collects

documentation. As CONSULTANT continues to manage the project and provide monthly written status reports, the project management portions of this task will span for the entire duration of the 6-month project.

(6)

Task 2: Deployment Review of the Fire and Emergency Medical Services Delivery System; Strategic Business Modeling

(7) Month 2

(8) Subtasks:

- ◆ Conduct a partial Standards of Response Cover (SOC) study. This review will not re-consider existing station locations, but rather use prior incident response statistics to measure the effectiveness to desired goals of the current deployment plan.
 - *The deployment review will be conducted by Stewart Gary, with the assistance of Michael Fay (statistical specialist).*
 - *CONSULTANT strongly encourages the Department to focus on the value of this step as a “study within the study.” CONSULTANT submits that a full statistical review of its deployment system will provide a solid foundation for administrative functions analysis steps.*
 - *CONSULTANT will use the NFIRS 5 Alive response statistics tool to understand how the current deployment systems perform. Data will be visualized both via charts, tables and as results displayed over Google Earth images of the CITY.*
 - *When this step is complete, the findings and recommendations will be integrated into the Draft and Final Organizational and Management Analysis documents, which are presented in Tasks 5 and 6. CONSULTANT will consider any results of Task 2, such as a need for increased training that might influence Task 3.*
- ◆ Strategic Planning – Identify Critical Factors for Department to Achieve its Mission with Accompanying Success Indicator
 - *In this phase of work, CONSULTANT will initially identify and draft critical success indicators for each of the Department’s major service areas as identified in the adopted mission and vision statements. CONSULTANT shall also advise the Department on where and how strategic thrusts (mini projects) should be deployed so the Department can achieve its planned goals.*
- ◆ Strategic Planning – Develop Strategy Statements for Department to Meet its Vision and Mission
 - *In this planning step, the CONSULTANT team will use the work performed thus far, particularly the environmental scan and identified lines of service, to draft strategy statements that clearly state the Department goals across all major operational and support areas, how these goals will be measured using identified performance indicators, and*

finally how these statements support the revised mission and values work. These goals will be based on these major areas:

- a. Standards of coverage
- b. Staffing requirements
- c. Training needs to meet the Department's Mission, Vision and Values
- d. Apparatus and Equipment needs
- e. Facility needs
- f. Information Technology
- g. Dispatch Center Communications
- h. Prevention and Code Enforcement.

(9) Meetings

There will be one on-site meeting to refine and reach agreement on the mission, success indicators and strategy statements work done to date.

(10) Task Duration

The duration of this task will be 1 month and will last through month 2 of the project.

(11) Task 3: Stakeholder Meetings and Documentation Review to Analyze Non-Deployment Issues

(12) Month 3

(13) Subtasks:

- ◆ In addition to the deployment (SOC) study, facilitate Department personnel and stakeholder's interviews, and an in-depth review of each non-response function in the Department.
 - CONSULTANT shall request considerable departmental documents and data measurement records from the Department to enable an in-depth understanding of current bureau staffing, workloads, costs and needs.
 - CONSULTANT shall review Department area growth information and project future expectations on the Department support services.
 - CONSULTANT shall use focused interviews of City Hall and Fire Department members to compare the records-based review with the perceptions of the actual workforce.
 - CONSULTANT shall issue SWOT questionnaires (Strengths, Weaknesses, Opportunities & Threats) to gain feedback on specific program areas.

- CONSULTANT shall conduct an on-line Fire Department employee survey for internal Department stakeholders to listen to employee perceptions on departmental effectiveness.
- Once the headquarters and personnel function reviews are completed, CONSULTANT will then combine the administrative bureau performance capacities with the field deployment review to build integrated findings, recommendations and implementation costs.

(14) Task Duration

The duration of this task will be 1 month and will last through month 3 of the 6-month project.

(15) Task 4: Complete a Performance Audit and Gap Analysis to set a Benchmark for Achieving New Strategies; Develop Operational Plans

(16) Months 4-5

(17) Subtasks:

- ◆ Strategic Planning – Undertake Performance Audit and Gap Analysis
 - In this task, the Department planning team, assisted by the CONSULTANT team, will conduct a performance audit of the Department's primary service areas. The performance audit results will be used to undertake a gap analysis to identify where and why the Department is not able to meet its identified strategies and if the draft performance indicators truly work.
 - The CONSULTANT team will then present the performance audit findings and gap analysis results in a workshop to the planning team. After review and refinement, the final gap analysis will result in a facilitated "moment of truth" discussion where the planning team has to face disconnects between goals, culture, resources and ability to change in the way the stakeholders need to have services delivered.
 - Where strategy statements, performance indicators and/or goals do not work, the planning team will be coached through the process of refinement to gain alignment with the stakeholders to ensure long-term success.
 - The performance audit rests primarily on four types of review using: (1) SWOT or (strengths, weakness, opportunities and threats) analysis questionnaires and interviews to look at how programs are currently conducted; (2) the internal Fire Department web-based employee survey results (3) the existing Departmental Standards of Response Cover measurement of the Department's field operations; and (4) a review of the support and service bureaus in headquarters.
- ◆ Strategic Planning – Develop Goals and Objectives in the Form of Operational Plans

- *The CONSULTANT team will coach the Department planning team in drafting Integrated Action Plans (IAPs) that fundamentally address:

 - *What new planned services get more attention than others?*
 - *Are some Lines of Service more important than others?*
 - *Will some strategies be emphasized during the next year or two while others are held to later?**
- *After the Department and CONSULTANT team draft all the necessary IAPs, they will be presented to the planning team in a workshop where it will be detailed how the work to date creates the need for each specific IAP. After clarification and refinement, as needed, final IAPs can be adopted by the planning team. This task will cover and address the following:

 - *Staffing plan*
 - *Financial strategy plan*
 - *Organizational plan*
 - *Support Plan*
 - *Retention Plan*
 - *Mutual/Automatic aid plan.**
- *These completed IAPs, along with the deployment review findings, will form the core of the published strategic plan.*

(18) Meetings

The performance audit and gap analysis will be presented via a summary PowerPoint in a planning team workshop. Refinements, if needed, will be made and the final work product accepted by the planning team will as the fundamental foundation for the next step of the planning process. Also, a separate workshop will be conducted to discuss and present Integrated Action Plans.

(19) Task Duration

The duration of this task will be 1.5 months and will last through the middle of month 5 of the project.

(20) Task 5: Forecast Resource Needs; Conduct Final Service Delivery Models and Prepare Integrated Review Report

(21) Month 5-6

(22) Subtasks:

- ◆ In this task, the entire CONSULTANT team will prepare a draft Performance Audit and Strategic Planning Draft Report, including statistical exhibits. In this report we will:

- *Summarize the strengths of the Department and opportunities for improvement.*
- *Present a review of how our approach and analyses were conducted.*
- *Describe major findings by departmental service delivery area.*
- *Present an explanation of improvements we identified and our integrated recommendations for their resolution in order to improve operations.*
- *Describe an implementation plan for prescribed action showing implementation responsibilities, schedules and expected benefits.*
- *Describe the costs of the implementation plan elements.*
- *Describe a methodology for monitoring implementation status.*
- ◆ Upon completion of the Draft Performance Audit and Strategic Plan, an electronic version in MS-Word will be sent to the CITY project manager for comments using the 'track changes' and 'insert comments' tools in Word. CONSULTANT's normal practice is to review a draft of its report with management personnel to ensure that the factual basis for our recommendations is correct and to allow time for a thorough review. In addition, CONSULTANT takes time to discuss any areas that require further clarification or amplification. It is during this time that understandings beyond the written text can be communicated.
- ◆ CONSULTANT shall schedule a conference call with the Department leadership to present the draft findings, answer any questions and agree on elements for the Final Report.

(23) Task Duration

The duration of this task will be 1.5 months and will last through the middle of month 6 of the project.

(24)	Task 6: Prepare and Deliver the Final Report with Executive Summary, Recommendations and Costs
------	--

(25) Month 6

(26) Subtasks:

- ◆ The process of Final Report preparation is an important one. Implicit in this process is the need for a sound understanding of how our review was conducted, what issues were identified, why our recommendations were made and how implementation should be accomplished.
- ◆ Prepare Final Report and oral presentation
 - *Based on the results of its Draft Report review process, CONSULTANT shall then prepare an Executive Summary and a Final Report to the City Council and Fire Department leadership. CONSULTANT also will make an oral presentation using a PowerPoint presentation.*
 - *CONSULTANT's proposal and cost bid contemplates one draft report cycle. Additional draft report cycles requested by the Department would*

be billed separately. CONSULTANT would prepare up to seven (7) copies of its Final Report, along with an electronic version of its Final Report on CD-ROM for the Department's use in producing additional sets of the report, if so desired.

(27) Meetings

There will be one on-site meeting to make an oral presentation of the Final Report to the City Council.

(28) Task Duration

The duration of this task will be two weeks and will conclude the project at the end of month 6.

(d) 1.6 Final Report Components

CONSULTANT's final work product will include:

1. An analysis of the efficiency of the current deployment scheme of resources within the Department's fire stations;
2. An analysis of the Department's ability to meet the listed standards;
3. If required, recommendations for changes in fire deployment methods to meet the current needs of the Department and to optimize service delivery;
4. A comprehensive analysis of current Department services and staffing in the support bureau areas such as fire prevention, investigations, public education, training, safety and health, disaster preparedness and hazardous materials will be delivered;
5. The non-response bureau's analysis will be combined with a forecast of future demands into a multi-year staffing and services plan for the headquarters functions;
6. Summary of stakeholder and gap analysis reviews;
7. Publish a complete new Strategic Plan, containing a summary of findings, service goals and action plans;
8. Provision of supporting data and rationale for all recommendations;
9. Provision of supporting statistics and other visual data to fully illustrate the current situation and consultant recommendations. This information shall be provided in both hard copy format and computerized format with accompanying Microsoft PowerPoint presentation.

(e) 1.7 Study Components With Which the Department Must Assist

Both CONSULTANT and the Department understand the economic constraints on a study. The Department has the capability to collect some internal data that can assist the CONSULTANT study where the Department is in the best position to prepare data elements within the overall services review. Therefore, the Department will assist CONSULTANT with:

- ◆ Providing electronic incident response data in a format requested by CONSULTANT.
- ◆ Via a document request questionnaire issued by CONSULTANT submitting existing Department documents describing its organization, services, budgets, expenses and performance measures if any.
- ◆ Providing other Department data as requested by CONSULTANT.

(f) 1.8 Project Schedule

CONSULTANT anticipates that the duration of this project will be 6 months, and is available to start the project in February 2010.

Section 2—CONSULTANT Organization and Project Team

(g) 2.1 CONSULTANT's Project Team

CONSULTANT's capabilities for this service can be simply stated: the experience and talents of its Project Team members! CONSULTANT knows that a successful departmental review effort results from the outside consultants being able to handle, as necessary, six critical roles in cooperation with the internal CITY Fire project team: (1) champion; (2) stakeholder listener; (3) subject matter trainer/expert; (4) meeting facilitator; (5) coach and content expert; and (6) final strategist/advisor.

CONSULTANT's team members, in their agency and consulting careers, *have successfully walked the talk* on fire department review and strategic planning efforts by focusing on the inclusion of culture and communications with rigorous analytic methods to build a business case that elected officials and agency employees can both understand.

The CONSULTANT team has a multi-disciplinary approach that includes the full range of skills required to execute this challenging project. The diverse group of specialists comprising CONSULTANT's proposed Project Team (described below) have worked together many times before to integrate their respective expertise into comprehensive, compelling, and creative strategies to accomplish a municipality's objectives.

(h) 2.2 Necessary Project Team Skills

A number of skills are necessary to successfully complete this project, including:

- ◆ Fire department deployment principles and practices
- ◆ Fire department staffing
- ◆ Fire services command and organizational structure
- ◆ Fire department performance measurement
- ◆ Fire prevention, urban-wildland interface, and community risk reduction
- ◆ Dispatch and communications
- ◆ Field operations for fire and emergency medical services
- ◆ Operating and capital budgeting
- ◆ CITY Management and cost of services analysis

- ◆ Fleet management
- ◆ Fire services technology
- ◆ Safety and training
- ◆ Land use planning
- ◆ Applied strategic planning
- ◆ Master and business planning.

(i) 2.3 Project Team / Project Roles

(1) Chief Stewart W. Gary, MPA, Project Manager and SOC Specialist

Chief Gary is the Fire Practice Principal for CONSULTANT Associates. Chief Gary is the recently retired Fire Chief of the Livermore-Pleasanton Fire Department in Alameda County, California. For the past fourteen years, he has been a lead instructor, program content developer and consultant for the Standards of Response Coverage process. For many years he annually taught a 40-hour course on this systems approach for fire deployment at the California Fire Academy and he teaches and consults across the United States and Canada on the Standards of Response Coverage process. Over the last nine years, he has performed organizational and deployment studies on 86 departments ranging in size from Minneapolis, Minnesota to San Jose, California, the Sacramento Metropolitan Fire District and the Santa Clarita Valley region in Los Angeles County.

Chief Gary will lead the CONSULTANT team on assessing the Department, co-facilitate workshops, co-lead the strategic planning process, and principally draft and co-present the Final Report.

(2) Dwane N. Milnes, DPA, Fiscal and Governance Analyst

Dr. Milnes is the General Government Principal with CONSULTANT Associates. Dr. Milnes has extensive experience in local government management having served as City Manager or Assistant City Manager for 24 years. He retired as the City Manager of Stockton, CA where he supervised an ISO Class 1 Fire Department. He earned a doctorate in Public Administration from the University of Southern California. His particular expertise is budgeting, fiscal analysis and intergovernmental relations. Dr. Milnes is a member of the International City Management Association and the American Society for Public Administration. He has worked with Chief Gary on a number of fire service organizational, consolidation and master plan studies.

Dr. Milnes will interview the City Council and City Manager at the beginning of the study and co-edit the Final Report to ensure that it addresses the CITY's needs as identified at the beginning of the study.

(3) William Sager, CFO, Fire Services Specialist

Mr. Sager, CONSULTANT's Fire Services Specialist, has more than 35 years in the fire service. With CONSULTANT he has worked on over twenty organizational analyses, deployment studies, strategic/master plan and training projects. Chief Sager's last assignment with CAL FIRE was as the Butte Unit Chief, and the Butte County Fire Chief. Chief

Sager is a nationally recognized course developer and instructor in leadership, organizational development and management courses.

Chief Sager will assist Chief Gary with the review of Fire Department operations and co-lead the strategic planning process.

(4) David C. DeRoos, MPA, CMC, CONSULTANT President

Mr. DeRoos has 25 years of experience as a consultant to local government, preceded by 5 years as an Assistant to the City Administrator in a California city. He earned his undergraduate degree in Political Science/Public Service (Phi Beta Kappa) from the University of California, Davis and holds a Master of Public Administration degree from the University of Southern California. Prior to becoming a Principal at CONSULTANT in 1991, he was a Senior Manager in the local government consulting division of Ernst & Young.

Mr. DeRoos will review work products. He is responsible for ensuring that the project is conducted smoothly and efficiently within the schedule and budget allocated and that all work products meet CONSULTANT's and the client's standard of quality.

(5) Michael D. Fay, Statistical Specialist

Mr. Fay has over 30 years experience and has served as a firefighter, EMS director, educator, consultant and publisher. As President of Animated Data, Inc., he is the designer and publisher of NFIRS 5 Alive Using standard NFIRS 5 datasets, NFIRS 5 Alive quickly performs diagnostic analysis of fire department operations.

EXHIBIT B

SCHEDULE OF PAYMENT AND RATES

Section 3—Project Cost

(j) 3.1 Project Cost/Billing

CONSULTANT shall charge CITY a fixed fee of \$71,948 based on the Work Plan and Scope of Work outlined in Exhibit A. The fixed fee includes and are based on actual time spent by its consultants at their established billing rates, plus reimbursable expenses incurred in conjunction with travel, printing, clerical, and support services related to the engagement.

Professional Fees of Project Team	Reimbursable Expenses	Administration (5% of Hourly Fees)	Total CONSULTANT Fixed Fee
\$62,205 (373 hours)	\$6,633	\$3,110	\$71,948

The cost shown above includes conducting a web-based employee survey in Task 3 of the Work Plan.²

(1) 3.1.1 Cost per Task

As required by the CITY, the table below outlines the total costs and labor hours per task. These task costs are tied to the completion of all task deliverables as outlined on the following page in 4.1.2. The total cost presented for each task includes reimbursable expenses and a five percent (5%) administration fee calculated on fees in lieu of individual charges for copies, phone, etc.

Task	DeRoos	Gary	Milnes	Sager	Fay	Admin/ Survey	Total Hours	Total Cost
1. Initiate and Manage the Project, Data Collection, Interviews, and Environmental Analysis; Develop Mission/Vision	2	12	8	20		4	46	\$11,538
2. Deployment Review of Fire and EMS	2	24		20	40	4	90	\$17,980

² CONSULTANT's cost for the web-based Fire Department Employee Survey does not include photocopying, distribution, nor any other charges relating to hard copy versions of the survey, should that be needed. Consultant's cost also assumes that this survey will be created and launched in English only. If the CITY desires the survey to be available in other languages, the extra time necessary to build the additional survey(s) would be an additional cost. Consultant's cost assumes this survey will contain no more than 3 open-ended questions and 50 closed-ended questions.

Delivery Systems; Strategic Business Modeling								
3. Stakeholder Meetings and Documentation Review to Analyze Non-Deployment Issues	2	18		8		43	71	\$10,921
4. Complete a Performance Audit and Gap Analysis to set a Benchmark for Achieving New Strategies; Develop Operational Plans	2	24		32		4	62	\$13,627
5. Forecast Resource Needs; Conduct Final Service Delivery Models and Prepare Integrated Review Report	2	16	4	16		24	62	\$9,925
6. Prepare and Deliver the Final Report with Executive Summary, Recommendations/Costs	2	16	4	4		16	42	\$7,957
Total Hours	12	110	16	100	40	95	373	\$71,948

The fee includes one (1) draft cycle as described in Task 5 of our Work Plan to be completed by CONSULTANT and the CITY within 30 calendar days.

Additional Services: Additional services outside the scope set forth in Exhibit A including Draft Report cycles or processing delays requested by the CITY would be billed in addition to the contracted amount at CONSULTANT's time and materials rates set forth in this Exhibit.

When changes to the Draft Report are agreed upon by the parties, CONSULTANT will provide up to seven (7) bound color copies of the Final Report document and a reproducible master copy on CD-ROM. The Draft Report will be considered to be the Final Report if there are no suggested changes within thirty (30) days of the delivery of the Draft Report.

If the CITY decides to delay the final presentation in Task 6 after acceptance of the final work product, CONSULTANT will accommodate such a request, but will charge two administrative hours per month to keep the project in suspense until the presentation is delivered.

CONSULTANT anticipates the following on-site trips to the CITY throughout the study: four for Chief Gary in Tasks 1, 2, 4 and 6; one for Dr. Milnes in Task 1; and three for Chief Sager in Tasks 1, 2, and 4.

(2) 3.1.2 Billing Schedule

CONSULTANT will bill for each task upon completion of the identified task deliverables, not to exceed one billing per month. The list of task deliverables is as follows:

Task	Deliverable
Task #1: Initiate and Manage the Project, Data Collection, Interviews, and Environmental Analysis;	1.1 On-site Project Kick-Off Meeting

Develop Mission/Vision	1.2 CITY/Department Interviews 1.3 Environmental Analysis Workshop
Task #2: Deployment Review of the Fire and Emergency Medical Services Delivery System; Strategic Business Modeling	2.1 Partial SOC Study (Deployment/Response Statistics) 2.2 On-site Meeting to Discuss Mission/Strategy
Task #3: Stakeholder Meetings and Documentation Review to Analyze Non-Deployment Issues	3.1 Stakeholder Interviews 3.2 In-depth Response Function Review 3.3 SWOT Questionnaire/On-line Employee Survey
Task #4: Complete a Performance Audit and Gap Analysis to set a Benchmark for Achieving New Strategies; Develop Operational Plans	4.1 Performance Audit/Gap Analysis 4.2 Workshop to Present Performance Audit/Gap Analysis 4.3 Develop Integrated Action Plans 4.4 Separate Workshop to Discuss IAPs
Task #5: Forecast Resource Needs; Conduct Final Service Delivery Models and Prepare Integrated Review Report	5.1 Submit Draft Report 5.2 Conference Call to Present Draft Report Findings
Task #6: Prepare and Deliver the Final Report with Executive Summary, Recommendations and Costs	6.1 Make Report Revisions; Issue Final Report 6.2 Oral Presentation of Final Report

(k) 3.2 Standard Hourly Billing Rates for Additional Services

Classification	Rate	(1)CONSULTANT
CONSULTANT President	\$ 210/per hour	David DeRoos
Fire Services Principal & Project Director	\$ 212/per hour	Stewart Gary
General Government Principal	\$ 250/per hour	Dwane Milnes
Fire Services Specialist	\$ 170/per hour	Bill Sager
Statistical Specialist	\$ 160/per hour	Michael Fay
Survey Administrator	\$ 115/per hour	Various
Administrative	\$ 80/per hour	Various

EXHIBIT C

CERTIFICATE OF INSURANCE

This is to certify that the following endorsement is part of the policy(ies) described below :

NAMED INSURED

COMPANIES AFFORDING COVERAGE

ADDRESS

- A.
- B.
- C.

COMPANY (A.B.C.)	COVERAGE	POLICY NUMBER	EXPIRATION DATE	B.I.	LIMITS P.D.	AGGREGATE
	<input type="checkbox"/> AUTOMOBILE LIABILITY					
	<input type="checkbox"/> GENERAL LIABILITY					
	<input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS					
	<input type="checkbox"/> BLANKET CONTRACTUAL					
	<input type="checkbox"/> CONSULTANT'S PROTECTIVE					
	<input type="checkbox"/> PERSONAL INJURY					
	<input type="checkbox"/> EXCESS LIABILITY					
	<input type="checkbox"/> WORKER'S COMPENSATION					

It is hereby understood and agreed that the City of Beverly Hills, its City Council and each member thereof and every officer and employee of the City shall be named as joint and several assureds with respect to claims arising out of the following project or agreement:

It is further agreed that the following indemnity agreement between the City of Beverly Hills and the named insured is covered under the policy: Contractor agrees to indemnify, hold harmless and defend City, its City Council and each member thereof and every officer and employee of City from any and all liability or financial loss resulting from any suits, claims, losses or actions brought against and from all costs and expenses of litigation brought against City, its City Council and each member thereof and any officer or employee of City which results directly or indirectly from the wrongful or negligent actions of contractor's officers, employees, agents or others employed by Contractor while engaged by Contractor in the (performance of this agreement) construction of this project.

It is further agreed that the inclusion of more than one assured shall not operate to increase the limit of the company's liability and that insurer waives any right of contribution with insurance which may be available to the City of Beverly Hills.

In the event of cancellation or material change in the above coverage, the company will give 30 days written notice of cancellation or material change to the certificate holder.

Except to certify that the policy(ies) described above have the above endorsement attached, this certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate or verification of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

DATE : _____ BY : _____
 _____ Authorized Insurance Representative
 TITLE : _____
 AGENCY : _____ Address : _____

