

CITY OF SEBASTOPOL CITY COUNCIL
AGENDA ITEM REPORT FOR MEETING OF: September 3, 2024

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To: Honorable Mayor and City Councilmembers
From: Don Schwartz, City Manager
Subject: Facilitator for February, 2025 Council Goal-Setting

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RECOMMENDATIONS: Approved contract amendment #2 with Baker Tilly for facilitation services for February, 2025 Council goal-setting session.

EXECUTIVE SUMMARY: February 4, 2025 has been established as the date for the Council to hold a goal-setting session. These are typically held annually or at least at the start of the term of new Councilmembers. The purpose is to establish priority goals for the Council.

BACKGROUND AND DISCUSSION: The City Council has not established goals since 2019. Having well-defined goals helps the Council and staff focus on the topics of highest importance to the City Council.

It is common practice for cities to hire outside facilitators to assist in goal setting. The project includes reviewing City documents and interviewing staff and the Council prior to the session, preparing an agenda and supporting materials, facilitating the session, and providing a report summarizing the results.

Staff conducted a competitive procurement for a facilitator. We received five proposals, attached to this report. The firms who applied were:

- 1. Baker Tilly
- 2. The Mejorando Group
- 3. LEAP Solutions
- 4. Miller Consulting Group
- 5. Praxis

We narrowed the options to two firms (Baker Tilly and The Mejorando Group), and requested supplemental materials from prior engagements; these are also attached. We also conducted reference checks.

Based on the overall assessment of the firms and their qualifications, staff recommend hiring Baker Tilly as the facilitator. They come highly recommended, with a long history in working with city governments.

COMMUNITY OUTREACH:
This item has been noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to schedule meeting date.

FISCAL IMPACT: The contract amount is \$10,000, including all expenses. This is what the City has budgeted for this item.

OPTIONS:

- 1. The City Council could choose another firm to facilitate the session.
- 2. Staff could facilitate the session, which would make it more challenging to participate at the same time.

3. The Council could forego a goal-setting session.

ATTACHMENTS:

1. Amendment #2 to initial Baker Tilly contract
2. Proposals from the firms identified above, with supplemental materials from Baker Tilly and The Mejorando Group

APPROVALS:

Department Head Approval: Approval Date: 8-21-2024

CEQA Determination (Planning): Approval Date: 8-21-2024

The proposed action is not a project under the California Environmental Quality Act (CEQA)

If it is a project – Planning will need to include language

Administrative Services (Financial) Approval Date:8-21-2024

Costs authorized in City Approved Budget: Yes No N/A

Account Code (f applicable) _____

City Attorney Approval: Approval Date: _____

City Manager Approval: Approval Date: August 21, 2024

AMENDMENT NUMBER 2
to contract
Between the City of Sebastopol and Baker Tilly

THIS FIRST AMENDMENT TO CONTRACT for consultant services is entered into by and between the City of Sebastopol ("City") and Baker Tilly ("Consultant") this 3rd day of September, 2024.

The City and Consultant agree as follows:

Recitals

The following recitals are a substantive part of this Agreement:

WHEREAS, City and Consultant entered in the Personal Services Independent Contract Agreement dated as of January 31, 2024 (the "Agreement").

WHEREAS, City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to increase the contract amount from a maximum of \$50,000 by \$10,000 and expand the Scope of Services to include regarding facilitation services, and

WHEREAS, the amendment of the Contract for Consultant Services is in the best interest of the City of Sebastopol; and

WHEREAS, Effect on the Agreement. Except as expressly set forth herein, the terms and conditions of the Agreement shall remain in full force and effect. In the event of any inconsistency between the Agreement and this Amendment, the terms of this Amendment shall control; and

WHEREAS, Entire Agreement; Conflicts. This Amendment and the Agreement contain the entire agreement between the Parties with respect to the subject matter hereof. Except as otherwise specified herein, no prior oral or written understanding shall be of any force or effect with respect to those matters covered herein. This Amendment and the Agreement shall not be modified or altered except in writing signed by both parties.

NOW, THEREFORE, the City and the Consultant agree that the Contract shall be amended as follows:

Scope of Work: See Attached August 5, 2024 Letter Proposal Regarding Facilitation Services

Fee Schedule: \$10,000 for all fees and expenses

Maximum Total Compensation: \$10,000

Term of Amendment: All tasks to be completed by February 28, 2025.

All other terms and conditions of the Contract dated January 31, 2024, as amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Consultant Services Contract the day and year first hereinabove written.

SEBASTOPOLE

Baker Tilly

By _____
Don Schwartz, City Manager

By  _____
Carol Jacobs, Managing Director

ATTEST:

By _____
Mary C Gourley Assistant City Manager/City Clerk, MMC

August 5, 2024

Baker Tilly US, LLP
2570 W El Camino Real, Suite 640
Mountain View, CA 94040
+1 (949) 809 5588
bakertilly.com

Mr. Don Schwartz
City Manager
City of Sebastopol
7120 Bodega Avenue
Sebastopol, CA 95472

Delivered electronically

Dear Mr. Schwartz:

Thank you for the opportunity to provide a proposal to facilitate a goal-setting workshop for the Sebastopol City Council on February 4, 2025. We understand the value to a council and manager of allocating time to ensure that scarce resources are allocated through a thoughtful priority-setting process. We understand that the City does not currently have a set of goals, however, there are plans to establish a set of priorities for the next few months prior to the broader goal-setting effort.

In addition to goal setting, we will also discuss norms, roles and best practices associated with effective councils. Special Advisor Steve Mermell will serve as facilitator for this workshop, with assistance from Senior Consultant Suzanne Martin.

Proposed plan of work

To optimize Councilmembers' time during the workshop, we are proposing that careful advance planning be done. This will include meeting with you to discuss the workshop and your desired outcomes, conducting interviews with the Mayor and each Councilmember, preparing and reviewing an agenda, and coordinating with staff about workshop logistics. Following the workshop, we will prepare a written report that documents the direction provided by the Council.

The following describes the plan of work anticipated for the engagement.

Activity 1 – Gather background information and conduct interviews

Steve will start by having a conversation with you via videoconference to discuss the work plan and schedule. He will then conduct individual interviews with each Councilmember via videoconference. He will ask questions such as:

- What are the key accomplishments of the City over the past year?
- What are the key challenges facing the City over the next two years?
- What goals and objectives would you like to see discussed at the workshop?

Steve will also meet with Sebastopol department directors via videoconference to identify key priorities and work plans. The results of the interviews will be summarized for discussion during the workshop.

Activity 2 – Design and facilitate workshop

We will prepare a draft agenda which typically includes the following but can be modified as desired:

- Welcome by the Mayor
- Public Comment
- Comments from the City Manager
- Agenda Review
- Icebreaker
- Discussion of What Makes for Effective Councils
- Introduction and Context for Priority Setting Discussions
- Establishing Goals
- Wrap up and next steps

We will then review the draft agenda with you and finalize it, along with other workshop materials. We will also prepare a PowerPoint presentation to aid in the workshop process.

Participants in the workshop will include Councilmembers and the management team. The discussions will likely include several items, such as:

- A discussion about current and completed projects during the past year
- Financial outlook
- Results of Council interviews and priorities they identified
- Consensus about goals and objectives for the following year
- Norms and roles associated with effective councils

Activity 3 – Prepare Workshop Report

Following the workshop, we will prepare a report summarizing the results and follow-up steps to be taken.

About Baker Tilly

Celebrating more than 90 years serving our valued clients

As a future-looking firm, we celebrate over 90 years in the marketplace by honoring our roots and continuing to shape our future. We embrace the fact that local governments can't stand still — and we won't stand still. As we help our clients identify new needs and opportunities, we innovate and change to work better.



Delivering specialized expertise to our public sector clients

State and local government is a complex, unique environment shaped by fiscal, regulatory and operational considerations not found in other industries. We recognize this complexity, and we are eager to serve as a truly valued advisor to the public sector. Nationwide, our state and local government practice has served nearly 4,000 state and local governmental entities, including municipalities, special districts, counties, public utilities, school districts and transit.

Public sector: Experience that matters



4,000 public sector clients **90+ years of industry experience** **Serving clients nationwide**

SUPPORTING STATE AND LOCAL GOVERNMENTS WITH SPECIALIZED EXPERTISE
The City of Sebastopol will benefit from the insight Baker Tilly has gained from serving thousands of public sector clients across the United States.

Comprehensive services for local governments

Your team is ready to help you find solutions to overcome the obstacles that stand between you and your goals. We provide a full range of service offerings for state and local governments, including those listed below.

FULL RANGE OF KEY SERVICE OFFERINGS FOR LOCAL GOVERNMENTS	
Accounting services and assurance	Housing and economic development
Capital planning	Human capital services
Cybersecurity consulting	Management services
Classification and compensation study	Organizational assessment
Efficiency studies	Organizational development
Executive coaching	Process improvement
Executive performance assessment	Rate and user fee studies
Executive recruitment	Risk advisory and internal audit
Federal funding advisory	Service sharing and service consolidation
Financial planning, budgeting and analysis	Strategic planning

References

We encourage you to connect with the clients below to learn more about the value of their relationship with Baker Tilly. Each client will offer a different perspective as you consider your own needs.

CITY OF MENLO PARK, CALIFORNIA			
Name	Mr. Justin Murphy	Title	City Manager
Phone	1-650-330-6600	Email	Jmurphy@menlopark.gov
Description	Baker Tilly was engaged to facilitate a City Council and strategic goals and priorities workshop. The workshop's purpose was to establish a list of realistic and achievable priorities for the year and an agreement on a method of handling new and emerging issues during the year. Individual interviews with Councilmembers were held in preparation for the workshop, and the team prepared information regarding projects that were underway or planned. The outcome was a set of agreed-upon priorities.		
CITY OF MURRIETA, CA			
Name	Kim Summers	Title	City Manager
Phone	1-951-461-6005	Email	KSummers@MurrietaCA.gov
Description	Baker Tilly facilitated a priority-setting workshop for the Murrieta City Council, which also included a review of governance best practices. As part of the engagement, Baker Tilly interviewed each member of the City Council as well as the City Manager. The workshop enabled the City Councilmembers to better understand their role in setting the strategic direction for the organization. It also afforded an opportunity to prioritize limited financial resources across numerous capital improvement projects and identify priority projects for the future.		
CITY OF SACRAMENTO, CA			
Name	Mr. Howard Chan	Title	City Manager
Phone	1-916 808-7488	Email	HChan@cityofsacramento.org
Description	Baker Tilly was engaged by the City to conduct a workshop to establish City Council priorities for the City Manager's attention. Through individual interviews with the Mayor and each member of City Council, we distilled the seven core goal areas of the City Council. In collaboration with the executive team, we then identified major ongoing projects (strategies) that aligned with the goal areas. City Council members then voted on their top priorities achieving consensus. The workshop resulted in a clear report reaffirming the four top priorities set by the City Council. This set the stage for the City Manager to lead a productive offsite meeting with the executive team to develop practical work plans in line with the established priorities. This approach reflects the collaborative spirit of the City Council and lays a solid foundation for effective governance.		

Aligning key engagement team members with your goals

Your handpicked team of professionals offers a collaborative focus supported by the breadth and depth of our firm's national resources. We believe in strong personal relationships, and this means a personal interest in the City of Sebastopol from some of our most experienced team members. Engagement team members are introduced below.

ENGAGEMENT TEAM FOR CITY OF SEBASTOPOL



Steve Mermell, Special Advisor

Role: *Facilitator*

Steve has more than 30 years of local government experience, most recently as city manager of the City of Pasadena, California. His service also includes assistant city manager, finance director, and a variety of other management positions. Steve's broad experience covers virtually every aspect of municipal operations, making him well-suited to manage a variety of engagements and complex projects. He is a specialist in local government financial management and has developed and implemented strategies to address structural budget deficits. Steve has led successful drives to obtain voter approval for measures related to an increase in local sales tax, cannabis regulation and taxation, a special tax to support library operations, and continuation of annual transfers from the power utility fund to the city's general fund. As assistant city manager, Steve restructured the Pasadena Public Health Department and, as city manager, oversaw the response to the COVID-19 pandemic.



Suzanne Martin, Senior Consultant

Role: *Workshop Support*

Suzanne Martin performs benchmarking analyses, organizational assessments and analytical research for a wide variety of projects, including operations reviews, user fee assessments, service consolidation studies, and budget stabilization projects. She has worked on several projects listed in the References section of this proposal. Suzanne brings expertise in conducting qualitative and quantitative research. Suzanne spent two years as a graduate student intern at the California Public Utilities Commission, where she conducted business services-related program evaluation and policy analysis.

Professional fee

The total cost of this project is \$10,000, which includes all fees and expenses. The ultimate test of a quality project is that the client is pleased with the results, and we are committed to achieving that goal.

Conclusion

The City of Sebastopol will be a valued client of Baker Tilly, and I will be personally involved in all aspects of our relationship, from planning through completion. Thank you for the opportunity to make tangible contributions to your success. Our team is excited to earn your trust, and we look forward to discussing your questions and feedback.

Sincerely,

A handwritten signature in blue ink that reads "Carol Jacobs".

Carol Jacobs, Managing Director
Baker Tilly US, LLP
+1 (949) 809 5588 | carol.jacobs@bakertilly.com

City of Sebastopol
August 5, 2024

Accepted for the City of Sebastopol by:

Name: _____

Title: _____

Date: _____

Baker Tilly US, LLP is currently undergoing a restructuring of its organization which is anticipated to occur on or around June 1, 2024. Following the closing of such restructuring, all consulting and tax engagements will be performed by Baker Tilly Advisory Group, LP. All assurance engagements will continue to be performed by Baker Tilly US, LLP.

The information provided here is of a general nature and is not intended to address the specific circumstances of any individual or entity. In specific circumstances, the services of a professional should be sought. © 2024 Baker Tilly US, LLP.

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