

It is expected that a Quorum of the Personnel Committee, Board of Public Works, and Administration Committee will be attending this meeting: (although it is not expected that any official action of any of those bodies will be taken)

CITY OF MENASHA
Special Joint Common Council and
Menasha Electric and Water Utility Commission
Senior Center
116 Main Street, Menasha
August 22, 2012
5:00 PM

AGENDA

- A. CALL TO ORDER
- B. ROLL CALL/EXCUSED ABSENCES
- C. PUBLIC COMMENTS ON ANY MATTER LISTED ON THE AGENDA
(five (5) minutes time limit for each person)
- D. DISCUSSION/ACTION ITEMS
 - 1. Presentation of Proposals for Staffing Study for City and Utilities
 - a) [Springsted Inc.](#)
 - b) [Human Resources Group](#)
 - 2. [Disposition of Steam Utility Building](#)
- E. ADJOURNMENT

"Menasha is committed to its diverse population. Our Non-English speaking population and those with disabilities are invited to contact the Menasha City Clerk at 967-3603 24-hours in advance of the meeting for the City to arrange special accommodations."



Springsted Incorporated
710 North Plankinton Avenue, Suite 804
Milwaukee, WI 53203-1117

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Fax: 414-220-4251
www.springsted.com

LETTER OF TRANSMITTAL

August 15, 2012

The Honorable Donald Merkes, Mayor
City of Menasha
140 Main St.
Menasha, Wisconsin 54952

Re: Draft Work Plan to Conduct a Succession and Efficiency Study

Dear Mayor Merkes:

On behalf of the Springsted team, we are pleased to submit this draft work plan to conduct a Succession and Efficiency Study for the City of Menasha. We are confident that our experience and expertise can provide you with a credible and successful process, as well as practical and realistic recommendations. Our immediate goal is to establish strong lines of communication and trust, which will provide you confidence in our capabilities and our process.

Springsted is a multi-disciplined financial and management advisory firm. The depth of our professional experience and the scope of our consulting practice are the most important parts of Springsted's ability to provide high quality services. The team that we bring to Menasha will have experience in the important skills you are seeking, including the ability to evaluate and assess the City's services and how they are provided, organized and delivered. In addition, we have extensive experience in human resources, financial management and working with elected officials. All together, we bring a comprehensive team that will partner with the City for a successful process and outcomes.

We believe our team can provide a great foundation on which you can build a strong, progressive and successful organization. If you have any questions on our proposal or want to discuss any aspect of our process, feel free to contact me at 414-220-4256 / kthomas@springsted.com or Dave Unmacht at 651-223-3047 / dunmacht@springsted.com. We look forward to hearing from you on our proposal.

Respectfully submitted,


Kathleen A. Thomas
Springsted Incorporated


David J. Unmacht
Springsted Incorporated

kmd

**City of Menasha, Wisconsin
Draft Work Plan to Conduct a
Succession and Efficiency Study**

I. Company Profile

Springsted Incorporated

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414-220-4250 office
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Springsted Incorporated

Kathleen A. Thomas

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Senior Vice President & Director

651-223-3047 office

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dunmacht@springsted.com

Brief History

Springsted is one of the largest and most established independent public sector advisory firms in the United States. For more than 50 years, we have continually grown in the range of our client relationships, the comprehensiveness of our services and our prominence within the industry. Our business philosophy is focused on providing local governments with a balance of national perspective and local expertise.

Springsted is a women-owned business and is certified as a Women’s Business Enterprise (“WBE”) by the City of Saint Paul, Minnesota. Three employee-owners lead Springsted and our 60 staff members. Our headquarters are located in Saint Paul, Minnesota, with additional offices located throughout the Midwest and Mid-Atlantic states. Specifically, our regional offices include Milwaukee, Wisconsin; Des Moines, Iowa; Kansas City, Missouri; Richmond, Virginia; and Denver, Colorado. For more detailed information on our firm we refer to our website www.springsted.com.

Public entities are under a great amount of pressure to deliver high quality services in a fiscally constrained environment. Traditional methods and means don’t necessarily work anymore and this scenario is not likely to change at any time in the future. To that end, elected officials and professional staff are under pressure to employ new and innovative solutions that require progressive leadership, creative partnerships, cautious risk taking and an investment in their personnel and organizational foundation. Those public entities that enhance and enrich their people, their process and their systems are likely to deliver more value by maximizing the use of public resources. We believe your request for succession and efficiency planning is very consistent with this philosophy.

Springsted’s staff has been advising local governments in organizational development for over 25 years. We have a strong staff with direct experience in managing and leading city governments. Our team of professionals brings practical, realistic and creative solutions to the challenges faced by public entities.

Our Organizational Management focus ranges from executive recruitment, group facilitation, strategic planning, cultural assessments, resource sharing and building collaborations to organizational improvement and efficiency studies. This focus will help us serve the City of Menasha for this study.

II. Project Team

The project team will consist of top senior managers and consultants within the Management Consulting Group. The table below identifies the consultants and their planned role within the study.



David J. “Dave” Unmacht

Senior Vice President and Project Manager



Mr. Dave Unmacht will be the Project Manager and Lead Consultant for the study. He will be the day-to-day contact for the City and will be responsible for the overall coordination of the project. Mr. Unmacht is director of Springsted’s Organizational Management/ Human Resources group. Mr. Unmacht brings more than 15 years of county administration experience, having worked for Scott and Dakota counties, Minnesota. He has also worked as City Manager in Prior Lake and City Administrator in Belle Plaine, Minnesota. He guides clients in organizational and leadership development, staff/elected official relations, human resources, intergovernmental collaborations, comprehensive planning and growth management, communication strategies, facilitation services and strategic planning. He has a master’s in Public Administration from Drake University in Iowa and a bachelor’s degree in Business Administration and Political Science from Wartburg College in Iowa.

Mr. Unmacht was the recipient of the Minnesota Association of County Administrators (MACA) Joseph F. Ries County Administrator of the Year Award in 2000 and the Minnesota City/County Management Association (MCMA) Manager of the Year in 2006.

Mr. Unmacht is also a Credentialed Manager with the International City/County Management Association (ICMA) and a community faculty member with Metropolitan State University in Saint Paul, Minnesota. He taught a course in the summer and fall of 2011 on leading and managing organizational change in the public and non-profit sectors.

Kathleen A. “Kathy” Thomas

Vice President and Client Representative



Ms. Kathy Thomas will be the Springsted Incorporated representative from our local office. She provides financial advisory and other special consulting services to municipalities, schools, parks, and counties on their issuance of debt transactions for capital projects. She has been in public finance since 1983 and has participated in more than \$6.9 billion in debt issuances. Ms. Thomas has managed various types of financings, for both refunding and new money purposes, including general obligation bonds, water and sewer/electric revenue bonds, special service area bonds, tax increment financing bonds, debt certificates and alternate revenue source bonds. She has been an underwriter as well, and brings a unique perspective to a transaction. Ms. Thomas is active in numerous professional organizations, including the Illinois Government Finance Officers Association, the Illinois County/County Managers Association, the Wisconsin Government Finance Officers Association, the Wisconsin City Managers Association, the Wisconsin Economic Development Association and the Municipal Treasurers Association of Wisconsin. She is a graduate of the University of Michigan and has her Series 63 and 7 securities licenses.

Sharon G. Klumpp

Senior Vice President and Consultant



Ms. Sharon Klumpp will be a Consultant on the Study. She specializes in organizational and management consulting for public agencies. Her area of expertise and focus will be in the data analysis, on site interviews, findings and recommendations components of the process. Ms. Klumpp has extensive government experience, having served as an Executive Director of the Metropolitan Council – the seven-county regional planning agency for the Twin Cities metropolitan area of Minnesota, as the Associate Executive Director for the League of Minnesota Cities, as a City Administrator and as an Assistant City Manager. She holds a master’s in public administration degree in public administration from the University of Kansas and a bachelor’s degree in political science from Miami University in Ohio.

Sub-Consultant

Edward J. “Ed” Huck

Sub-Consultant

Mr. Ed Huck is the owner of Ed Huck Political Consultant LLC and is currently working on issues that involve local government. Edward Huck was the Executive Director of the Wisconsin Alliance of Cities for more than 25 years. The Alliance was a voluntary organization of older cities and first-ring suburbs. From 1969 to 2011, the Alliance lobbied for changes in State and Federal laws as they relate to land use, taxation, the environment and intergovernmental transfers. Mr. Huck has served as an advisor to state agencies as a member of the Shared Revenue Task force for the Department of Revenue, Counties and Municipalities Work Group for the Department of Administration and Watershed Advisory Committee for the Department of Natural Resources. He

oversaw production of the Wisconsin Metropatterns Report and Conference. Wisconsin Metropatterns, written by Myron Orfield and Tom Luce of the Metropolitan Area Research Corporation, uncovered growing poverty, declining tax base, inefficient growth and racial and social segregation in seven metropolitan areas of Wisconsin. He presented at the 2004 Marquette Law Symposium on Wisconsin Tax Policy and later published the article Tiebout vs. Samuelson in “Municipal World.” Mr. Huck played a major role developing the Marquette Law Symposium; “Is the Wisconsin Constitution Obsolete?” He is currently serving on the Board of One Thousand Friends of Wisconsin and is a political consultant.

Springsted Team

The Springsted team will provide the following value added benefits to the process and outcomes:

Knowledge of the City of Menasha – We have met with the Mayor and City Attorney/HR Director to gain an initial understanding of the goals of this study. We understand the overall goals are to determine the best way to achieve efficiencies in providing City services and to provide suggestions for succession planning. We will work hard to develop a strong understanding of all of the City’s needs prior to the beginning of our study.

Knowledge of Local Government – We have extensive knowledge and background in the fields of municipal operations, human resource management, organizational development, and financial management. We are former public sector managers who bring distinct, yet complementary experiences to the team.

Experience with Elected Officials, Department Heads and Staff – The team members have spent our careers working directly with appointed and elected officials, department heads and line staff members. We respect and understand each group’s roles and responsibilities. We will work closely with you to identify outsourcing options, but also help evaluate each option in light of its impact on each group, as well as the service delivery impacts to citizens.

III. Proposed Process and Timeline

There are five specific steps to our process to complete the study. The methodology used to address the general scope of services will include a combination of on site field work and interviews, existing document review and analysis, and application of best practices and professional standards.

Process and Outcome Credibility

One of our distinctive qualities is the commitment we have to ensure the success of the study. To that end, our experience and project approach takes into consideration two key variables: *process credibility* and *outcome credibility*. Process credibility is the realization to all involved, in particular the Council and staff, that the methodology used is credible, reasonable and fair to all concerned. In addition, the information and communication must be transparent, honest and timely. Outcome credibility is the realization that the information and data used to develop the findings and conclusions is comprehensive, complete and applied consistently and appropriately without bias or preference to any particular person, persons or individual agenda. If these two objectives are realized, the recommendations, outcomes and future

implementation are on a strong foundation. This distinction is unique in our business and is a contributing factor to the benefits and strengths of the Springsted team.

The four main departments we will focus on in this study are *utilities, finance, human resources and public works*. The City has two main questions with specifics (a-c and a-b) included as follows:

- 1) Evaluate the City services and compare to similarly sized communities.
 - a. Determine if the City is providing more or less services. The question of whether the City should make changes will be addressed as a result of the survey.
 - b. Make recommendations on how to prioritize the existing services?
 - c. Evaluate the current level of staff resources and identify important elements of a succession plan.

- 2) Determine the most efficient way to organize City services.
 - a. Review the organizational and department structures and make recommendations on possible changes
 - b. Review the number of employees to see if any can be consolidated, re-organized or utilized more effectively.

- 3) Prepare a plan for implementation of the recommendations.

We will work closely with the City to identify the communities to include as peer groups for the comparison and analysis. We believe we have an understanding of the full scope of what the City desires to be included in the study. As part of our due diligence, prior to initiating the study we will confirm our final scope of work to insure the work plan is acceptable to the City.

Based on our understanding of the scope of work listed above, we expect five main steps will be necessary to complete this study:

Step One Project Coordination

This includes ensuring that the details and logistics of the study are understood and agreed upon. We propose that the logistics and details be completed immediately upon approval to proceed with the study. We encourage the City to identify a project coordinator who can serve as the day to day contact with the Springsted Project Manager.

Step Two On Site Field Work – Elected Official and Employee Input

This includes members of Springsted’s team on site conducting extensive interviews and document review. We will work with the City to identify the individuals to interview, including the Mayor and members of the City Council, the management team, staff (supervisory and non-supervisory) and any partners and affiliates of the City that can provide valuable insight into the areas of study. We are very respectful and personable in our interactions; we treat each interview in confidence and we earn the trust of the individuals we interact with. This is an important component of our process as our body of work is only as good as the information we can obtain from those we interview.

Based on the size of the City’s staff, individual interviews with every member of the staff is not practical. We propose conducting focus group meetings with key line staff members. Line staff members are the most knowledgeable about actual operations and can provide key insight on operational issues and opportunities. We will also introduce the idea of doing an on-line confidential staff survey using a tool like survey monkey. This will allow us to collect input from staff on a broader level.

Step Three Document Review

At the beginning of the study we will provide a list of information necessary to fully understand the existing conditions and status of the City’s operations. This list will include such items as job descriptions, existing structure and reporting relationships, City and department strategic plans, the City’s financial plans, previous reports if available, policies, procedures and other documents of record that the City uses as guides and directives. This step actually coincides with the on site field work, but is completed in earnest after we have gathered all of the interview information.

Step Four Preparation of Preliminary Findings

Upon completion of steps two and three the Springsted team will prepare a set of findings which are based on all of the inputs we have received to date. This set of findings will articulate the facts and will be used as a foundation for our recommendations. City officials will have an opportunity to review and comment on the findings before they are completed. The City’s review is critical to confirming the reliability and accuracy of the information we have prepared. We recommend that the findings be presented in a work session of city leaders.

Step Five Preparation of the Report

Upon completion of the findings, the team will prepare the report. This report will include all of the tasks within the scope of services and any other information we determine based on our work. The report format will be determined in conjunction with input from the City.

Our commitment is that the City will have a report that will be a practical and useful guide for the future. This report will provide a road-map for the City to enhance, improve and improve service delivery efficiency for the long term future. We will break out each of the three areas in different sections and have specific findings and recommendations for each bullet. Furthermore, if in our analysis and discovery we identify efficiencies and possible cost savings, beyond the four areas of the study, we will include them in our work.

Project Schedule

The schedule below illustrates a possible project milestones and estimated time frame. The specific steps and timeframe are subject to review and discussion with the City. We estimate the overall process to be approximately two to three months in length.

The timeframe is a reflection of a possible schedule; however the date used for the notice to proceed is for illustration purposes.

Project Milestones	Timeframe
Contract award; notice to proceed	August 22
Project coordination; discuss details, finalize study process	Week of August 27
Data request submitted and analysis begins	Week of August 27
On site field work, document review and data analysis (two trips)	September 4 – September 28
Preparation of preliminary findings	October 1 – October 15
Briefing on preliminary findings with the City	Week of October 15
Preparation of draft report	By November 9*
Briefing on draft report with the City	Week of November 5
Prepare final report	Balance of November

*Although the final report will not be completed until mid to late November, the City will have sufficient information to use in planning, organizing and preparing for the future at the time of the preliminary findings and draft report.

Springsted will organize the report and presentation to fully comply with the final work plan and wishes of the City. We will provide the City with an electronic version of the Report, along with copies as determined in the project coordination meetings.

IV. Conflicts of Interest

As an independent public sector advisor, Springsted was founded on the belief of avoidance of conflicts of interest when representing our clients. Our independence covers all service lines from Public Finance to Economic Development and Organizational Management. Our only clients are public entities and non-profit corporations. Since Springsted’s founding, clients have relied upon and valued our independent approach on their behalf.

V. Fee Proposal

The estimated cost to conduct the study as outlined in this proposal is \$27,500. This fee does not include miscellaneous out-of-pocket expenses that will be needed. These expenses will be invoiced separately and will be primarily related to travel. We estimate that these expenses will not exceed \$4,000. We will invoice the City half the cost of the study and expenses incurred to-date following the briefing on the preliminary findings. The balance of the fee and expenses will be billed upon completion of the study.

We recognize that the City may want to discuss the specific project and process to address changes and additional needs that may arise. Thus, our proposal is subject to discussion and change at the request of the City. We will work with the City to revise our fee proposal based on the final scope of work plan agreed to prior to initiating the study.

VI. References

The references below are some of those that will be able to provide you with information on Springsted and on projects which were similar, but may not be exactly the same in scope as sought by the city. We also can provide you with additional references that can provide you with more specific information on our work.

City of New Berlin, Wisconsin

Dispatch Outsourcing Study

Mr. Joe Rieder, Police Chief

262-780-8101

Polk County, Minnesota

Organization and Structure Review

Mr. Jack Schmalenberg, County

Administrator

218-281-5408

City of Manitowoc, Wisconsin

Budget, Revenue and Cost Savings Study

Mr. Justin Nickels, Mayor

920-686-6980

Winona County, Minnesota

Review of Financial Systems and Processes

Mr. Duane Hebert, County Administrator

507-457-6355

City of Melrose, Minnesota

Organizational Review

Mr. John Harren, Public Works Director

(Project Coordinator)

320-256-1960

Town of Buchanan, Wisconsin

Organization Review

Ms. Angela Gorall, Town Administrator

920-734-8599

Naperville Park District, Illinois

Organizational Review – Parks

Mr. Ray McGury, Executive Director

630-848-5000

Willmar Municipal Utilities, Willmar, Minnesota

Organizational Review

Mr. Dave Baker, Chair of the Commission

320-894-5774



**Proposal for HR Consulting Services:
Staffing / Efficiency Study for
the City of Menasha, WI and Menasha Utilities
(Revised July 19, 2012)**

HUMAN RESOURCES GROUP, INC. (HRG)

Contact: Dan Stahl, SPHR, Principal

2912 Marketplace Drive, Suite 100

Madison, WI 53719

(608) 233-5491

fax (608) 663-7522

email: dstahl@hrgroup.com

PURPOSE

This proposal to provide compensation consulting services is submitted at the request of Ms. Melanie Krause, Co-General Manager/Business Operations, Menasha Utilities (“the Utilities” or “Client”), during a telephone discussion on June 15, 2012 with Dan Stahl, Principal, Human Resources Group, Inc. (“HRG”), related to the need for an organizational staffing / efficiency study for her organization and the City of Menasha (“the City” or “Client”). This proposal addresses the specified issues and includes the scope of services, project timeline, fees and terms of payment.

SITUATION

The City of Menasha and Menasha Utilities are separate entities with a common set of “external customers”, the residents and businesses of the greater Menasha area. The current population of the City is approximately 17,500 and Menasha Utilities provides electric services to approximately 9,200 customers and water services to approximately 5,000 customers.

Both Ms. Krause and the Mayor of Menasha, Mr. Donald Merkes (“the Mayor”) have a shared interest in 1) determining if the staffing for their respective organizations is optimized relative to similar-sized communities and 2) whether the services they provide to their customers are delivered in the most efficient manner possible. An

implied question is: “Are there potential efficiencies and synergies to be realized through different organizational structures in the two organizations?”.

Based upon the discussions with the Ms. Krause, the primary “drivers” for the study include both financial and operational considerations. These can be more thoroughly discussed during the “Project Planning” phase of the study.

SCOPE OF STUDY / SERVICES TO BE PROVIDED

Departments To Be Reviewed

Per Ms. Krause, the departments to be focused on in the study include Parks, Finance, IT, Human Resources, Public Works, and Menasha Utilities.

Areas of Focus

The City has three main questions that are the focus of the study:

1. Evaluation of City Services: Evaluate the services that the City provides and compare them to similarly sized communities.

- a. Determine if the City is providing more or less services, and should there be changes in what is presently provided?
- b. Prioritize the existing services.
- c. Evaluate the staff resources and identify important elements of a succession plan.

2. Determining Efficiency of Services Provided

- a. Review the number of employees in each department to see if any can be moved into others and/or can be utilized more effectively
- b. Review the organizational and department structures and determine if any changes can be introduced.

3. Prepare and Present a Plan for Implementation of the Recommendations

- a. Develop recommendations based upon findings and conclusions of the study and a plan for implementation.
- b. Present the plan to the study sponsors and any other desired stakeholders to respond to any questions and ensure understanding.

4. Provide Follow-Up Support

Continue to be a resource following implementation to assist with any post-implementation questions or issues.

PROJECT DELIVERY DATE

The written summary report is requested to be completed by September 1, 2012.

CONSULTANTS

Dan Stahl, SPHR, will be the principal consultant working with the Client and manage the project. Lyle Heller, MBA, Senior Consultant, will provide technical and project support.

PROCESS / APPROACH

The following process will be used to accomplish the above study:

1. Project Planning / Management

Initial discussions will be held with designated Client staff to develop a thorough understanding of the current “state of the organizations”, (including financial, cultural, political, employee turnover, morale, etc.) and of the current and past staffing practices and service delivery standards and challenges. A project plan will be developed and any questions that arise during the course of the study will be discussed with the Client, as needed. In addition, periodic check-ins and updates will be provided to the Client on progress of the study.

Another important element of the initial planning process will be to clarify and confirm the most important “drivers” for potential restructuring, as these will become the basis for any decision-making criteria when evaluating potential alternative organizational structures.

2. Evaluation of City Services

Internal Review

HRG will review the organization charts and job descriptions of each organization. We will develop appropriate questions to be covered during staff interviews with Nine (9) designated staff (e.g. Mayor Merkes, Ms. Krause, Manager of Engineering & Operations, City Comptroller, City Attorney/HR Director, Director of Parks, Recreation, Forestry and Cemeteries, Public Works Superintendent, Engineering Supervisor and Building Services Superintendent). Through these discussions with designated staff, we will clarify any questions regarding roles, responsibilities, turnover and understand current succession plans. We would also ask for their suggestions for improving their current succession plan and succession planning process.

In addition, we would obtain feedback regarding their relative prioritization of existing services (essential, discretionary, non-value-added, etc.) and ideas regarding potential value-added services that could be provided if they had a “clean slate” organizational chart to develop their optimum structure.

External Data Collection and Review

Following our internal review, we will research comparably sized Wisconsin communities (e.g. municipalities of ~ 17,000 – 20,000 and utilities serving ~ 9,000 electric service customers / 5,000 water customers) and determine how their organizations are structured. We will then compare the staffing levels and structures to develop ratios and determine relative “market averages” (e.g. 25th percentile, median, and 75th percentile) of staffing levels. Upon completion of this external data collection and analysis, we would be able to draw conclusions and make recommendations regarding staffing levels.

3. Determining Efficiency of Services Provided

Through the interviews with designated staff described above, we will have obtained feedback regarding individuals’ capabilities and suggested changes to their organizational structure. Using the information gained from these interviews, we will be able to make judgments regarding the current efficiency of services provided and develop alternative organization structural models for review and discussion with the Client.

4. Prepare and Present a Plan for Implementation of the Recommendations Preparing Implementation Plan

Based upon confirmation of the “drivers” mentioned in the “Situation” section of this proposal (page 2), we would be able to develop findings, conclusions and recommendations regarding any changes to staffing levels, roles and responsibilities, succession planning and organizational structure.

An alternative approach would be to develop findings, conclusions and alternative recommendations and facilitate a decision-making discussion with key decision-makers. One consideration of this approach would be the degree of autonomy of the Client to make final decisions on structure or if a third-party (e.g. City Council or Board of Commissioners or other entity) would be making the final decision.

Presenting the Plan

If desired, the summary report could be presented in-person to the study sponsors and any other desired stakeholders to respond to any questions and ensure their understanding. Whether presented or not, a written summary report will be provided to the Client.

PROPOSED INVESTMENT

A. Project Planning / Management

Includes initial discussions with the Client sponsors and interviews with other Client staff (7) and periodic check-ins and updates will be provided to the Client on progress of the study. \$ 2,450

B. Evaluation of City Services

Internal Review

Largely included in above, with additional time for analysis of data. \$ 900

C. External Data Collection and Review

Performance of research of external organizational comparisons, compilation and analysis of data and development of recommendations. \$ 2,625

D. Determining Efficiency of Services Provided

Review of feedback regarding individuals' capabilities and suggested changes to their organizational structure, evaluation of the current efficiency of services provided and developing alternative organization structural models. \$ 2,200

E. Obtaining Feedback on Organization Restructuring

Facilitating a discussion (2nd day of site visit for staff interviews) to obtain input on organizational restructuring. \$ 700

F. Prepare and Present a Plan for Implementation of the Recommendations and Preparing the Summary Report

Develop findings, conclusions and recommendations regarding any changes to staffing levels, roles and responsibilities, succession planning and organizational structure and developing a written summary report. \$ 1,200

G. Presenting the Plan

Development of PowerPoint presentation plus delivery of report at Client site \$ 950

H. Provide Follow-Up Support

Continue to be a resource following implementation to assist with any post-implementation questions or issues (Initial 2.0 hours no charge; additional support @ \$175/hour)

I. Travel

Expenses related to two (2) trips to Menasha for 1) staff interviews and 2) Presentation of Summary Report \$ 650

J. Materials and photocopying of Summary Report copies \$ 250

ESTIMATED INVESTMENT SUBTOTAL	\$ 11,925.00
ESTIMATED CONTINGENCY	\$ 575.00
ESTIMATED INVESTMENT TOTAL	\$ 12,500.00

TERMS AND CONDITIONS

This written agreement between HRG and the Client includes the following provisions:

1. The Client agrees to provide HRG with various background information in written or oral form as may be requested by HRG and deemed appropriate by the Client. This includes any current job descriptions.
2. HRG will provide the Client with oral and written reports as requested. The final written report with recommendations and subsequent follow-up support shall complete the obligations of HRG under this agreement.
3. The Client agrees to the financial arrangement specified above and to provide one signed copy to HRG.
4. Invoices are payable upon receipt.
5. Either HRG or the Client may cancel this agreement upon 10 (ten) days' notice to the other prior to the initial on-site visit. In the event the Client shall cancel the agreement, the Client shall reimburse HRG for any expenses incurred as a result of this agreement. In the event HRG shall cancel the agreement prior to the initial on-site visit, the Client shall not be entitled to any sum for liquidated damages.
6. The relationship established by this agreement is confidential in nature. The information developed by the study and any reports are for all purposes to be considered privileged. While HRG shall undertake to exercise every reasonable effort to keep the information developed by the consulting relationship confidential, it is agreed that HRG shall not be held responsible for any unauthorized disclosure unless it results from the willful act of gross negligence on the part of HRG. The Client agrees to indemnify HRG and hold it harmless on account of any and all claims of unauthorized disclosure not resulting from such willful act of gross negligence, or resulting from persons not under its control.
7. The services rendered by HRG are done so as an independent contractor and not as an employee of the Client.
8. Neither HRG nor its consultants are licensed, certified or otherwise legally entitled to practice law or accountancy. Therefore, if questions of a specific legal and/or

accounting nature are involved in implementing any of the consultant's recommendations, appropriate counsel must be sought by the client.

9. HRG's liability is limited to \$1,000.00 or the fees received for the project, whichever is greater. If the Client decides to terminate the project for any reason prior to its completion, HRG will invoice the Client for time spent on the project to date, not to exceed the totals listed in the proposal.

10. No mileage is charged for travel within the greater Madison area. Mileage outside the Madison area is reimbursed at the prevailing IRS rate. In addition, travel time is charged at ¼ of HRG's standard billing rate for a senior consultant (i.e. at a rate of \$43.75/hour). Hotel and meal expenses, when applicable, are billed at actual cost incurred. (Note: alcoholic beverages, if any, are not submitted for reimbursement).

11. Unless acceptance is received beforehand, this proposal is valid through **July 31, 2012**.

12. Actual cost of materials (i.e. binders, etc.), collating/copying and postage or overnight mailing expenses will be billed to the client. (Note: **Built into proposal costs**).

13. HRG guarantees 100% satisfaction with its work.

We look forward to working with the City of Menasha and Menasha Utilities on this important work.



Dan Stahl, SPHR
Principal
6/29/12
Revised: 7/19/12

Accepted by: The City of Menasha / Menasha Utilities

Date



TO: Members of the Common Council
FROM: Mayor Merkes
DATE: 16 August 2012

RE: Steam Plant Decision Tree

The corresponding narrative for the steam plant decision tree will be distributed at the August 20th Common Council meeting for your review. The decision tree itself, showing potential options, is attached.

