

TO: City Council  
FROM: Meg Williamson, Assistant City Manager  
SUBJECT: Executive Search – City Manager  
DATE: April 7, 2015

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Needs: For the City Council to engage outside assistance to conduct a State-wide search for City Manager.

- Facts:
1. The City Manager plans to retire December 30, 2015.
  2. A State-wide search is indicated to attract experienced chief executives well-versed in full-service municipality disciplines and services.
  3. There are a number of Executive Search firms that specialize in assisting local governments in the recruitment and selection of public chief executives.
  4. The City received four proposals from qualified Executive Search firms.

Analysis &

Conclusion: Generally, executives with the requisite sophistication of strategic planning, public finance, political acumen, and decision-making skills are currently employed with other public agencies. Soliciting their interest is highly competitive.

Executive Search firms have established access to, and an accepted means for soliciting, public executives. Additionally, these firms assist in certain labor intensive and time consuming elements of the search and selection process.

Proposals were sought and four were received (see attached proposal summary). All four firms are well known and accomplished search firms. Proposed fees (including expenses) range from an estimated \$21,900 to \$28,000.

Avery & Associates appears to have the most well suited proposal. The principal, Bill Avery, is well acquainted with Paso Robles' unique character and challenges as a result of a long professional affiliation. He has assisted the City in a number of successful placements.

It is important to note that the outcome of any search process cannot be guaranteed. Success is a function of market dynamics including competition, availability, marketability, timing, etc. However, the City would be assured of market penetration, as well as professional recruitment and selection assistance.

Policy

Reference: City Council direction.

Fiscal Impact: Avery & Associates proposed cost for search services if \$15,900, plus not to exceed expense costs of \$6,000. The total estimated cost of \$21,900 would be drawn from General Fund Reserves (current balance estimated of approximately \$8,300,000).

- Options:
1. Authorize the City Manager to Execute a Contract with Avery & Associates for Executive Search Services, and approve the Budget Adjustment Request to appropriate funds from General Fund Reserves in the amount of \$21,900; or
  2. Amend, modify, or reject the foregoing option.

Attachments:

1. Summary of Proposals received
2. Avery & Associates Proposal
3. Budget Adjustment Request

## Summary of Executive Search Proposals

### City Manager

#### Ralph Anderson & Associates

Search Cost: \$23,750

Expenses: Inclusive of Search cost (see optional service fee notes)

Guarantee: Replace at no search charge (expense only) during first year

Notes: 112 day timeline  
Community Workshop \$1,500 (plus expenses) if desired  
Community On-Line Survey \$750 / Staff On-Line Survey \$500

#### William Avery & Associates

Search Cost: \$15,900

Expenses: \$6,000 (not to exceed)

Guarantee: Replace at no search charge (expense only) during first year

Notes: 120 day timeline  
Conducted recent Community Development Director search. Currently conducting City's Public Works Director Search.

#### Teri Black & Company

Search Cost: \$19,000

Expenses: \$9,000 (not to exceed)

Guarantee: Replace at no search charge (expense only) within 2-years

Notes: 120 day timeline

#### Bob Murray & Associates

Search Cost: \$17,500

Expenses: \$8,500 (estimate)

Guarantee: Replace at no search charge (expense only) during first year

Notes: 112 day timeline  
Community Workshop \$1,500 additional if desired  
Worked with City in a past Public Works Director search.



March 10, 2015

Marlaine Sanders, HR Manager  
City of Paso Robles  
1000 Spring Street  
Paso Robles, CA 93446

Dear Ms. Sanders:

Avery Associates is pleased to submit our proposal for the recruitment of a new City Manager for the City of Paso Robles. We value our ongoing working relationship with the City and would look forward to supporting your needs in this assignment.

We feel well suited to support the City in this assignment, as our firm has extensive experience in City Manager recruitments. Currently, we are conducting City Manager searches for Encinitas, Livingston, Grand Terrace and Farmersville, and are near completion of a City Administrator search for the City of Oakland. During the past year we've completed City Manager assignments for the cities of Saratoga, Rio Dell, Hercules, Sunnyvale, Half Moon Bay, South San Francisco, San Mateo, Pacifica, Hollister, Lynwood and Emeryville and the County Executive Officer for the County of Santa Barbara. As a result of these collective assignments, we have a large, very current and active database of City Manager candidates that would be of great value in this search. Further, our successful recruitments of the City's new Community Development Director and Public Works Director have provided us with a comprehensive understanding of current City issues and needs.

Our extensive database of executives in municipal government provides an excellent foundation for the outreach efforts we describe in our proposal. We've also had extensive interaction with City Councils, City Managers and Assistant City Managers based on our labor relations practice. All of these contacts would be an excellent resource in support of this recruitment.

Following review of our proposal, it is our hope that our history of successful recruitments, our professionalism, and positive results we have delivered for our clients will provide the basis for selection of our firm. The enclosed proposal contains the following information:

- Company Overview
- Firm Qualifications/Experience
- Recruitment Team
- Recruitment Strategy

William Avery & Associates, Inc.  
Consultants to Management

3-1/2 N. Santa Cruz Ave., Suite A  
Los Gatos, CA 95030  
408.399.4424  
Fax: 408.399.4423  
[www.averyassoc.net](http://www.averyassoc.net)

- \* Recruitment Schedule
- Consulting Fee
- Guarantees & Ethics

Thank you for the opportunity to be considered for this recruitment. If you have any questions, please do not hesitate to call me at 408-399-4424.

Sincerely,  
*William Avery*  
William H. Avery

WHA:jmc



## PROPOSAL FOR THE CITY OF PASO ROBLES RECRUITMENT FOR THE CITY MANAGER

### William Avery & Associates, Inc. – Overview

William Avery & Associates, Inc. (Avery Associates) is a successful and service focused Management Consulting firm based in Los Gatos, California. Incorporated in 1982, the firm specializes in Executive Search, Labor Relations and Human Resources/Management Consulting.

The firm currently includes two Principals and several key consultants. Bill Avery, the founder of Avery Associates, heads the firm. He oversees the Labor Relations practice and leads key searches. Paul Kimura is the Principal who oversees the Executive Search and Recruitment practice. Key staff members include Ann Slate and Cris Piasecki, who support the search practice and the firm's administrative staff includes Tina Liu, the Finance/Contracts Administrator, and Jackie Collins and Jessica Towner. Temporary staff as needed augments the team.

Mr. Avery, having served in the past as a City Manager, provides the firm with direct experience and knowledge of city administration. Mr. Kimura's expertise in executive, technical and business recruitment, which he gained during his nineteen years of high technology experience, provides the basis for many of the recruitment strategies and tactics utilized by the firm. Collectively and combined, the firms Principals offer exceptional expertise in the area of public sector recruitment and consulting.

### Firm Qualifications/Experience – What Differentiates Avery Associates

Exceptional service delivery and a very high quality work product provide excellent results for our clients. This begins with the initial client meetings, which lead to detailed timelines for deliverables followed by weekly recruitment status updates following initiation of the search. Our candidate outreach efforts are professionally and confidentially conducted. The evaluation materials we provide clients are routinely characterized as accurate, comprehensive and of very high quality. We believe more so than any other public sector recruitment firm. This is largely based on our interview system utilizing behavioral interview techniques, which we describe in our recruitment plan. This leads to a quality product with excellent end results for our clients.

The service element is based on two factors: The first is the collective service philosophy from all of our organizational team members. They are each dedicated to providing service and support to clients. The second factor is based on the high level of engagement and participation from the firm Principals in every search assignment. This hands-on involvement includes client interface, identifying and developing the ideal candidate profile and position specification, development of the search strategy, candidate outreach, interviewing and assessment, completion of reference interviews, candidate presentation, final interview facilitation and when desired, negotiation of employment terms with the successful candidate.



## Recruitment Team for the City of Paso Robles

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

### Recruitment Strategy and Services Provided

#### I. Position Profile and Organizational Assessment

The initial assessment phase is a critical component of the search process. Mr. Avery will meet with the key decision makers to discuss the organizational needs and position requirements and to formalize the job description.

In this assignment we would anticipate Mr. Avery having individual meetings with the City Council and with key staff members to solicit their views on the ideal candidate. We also understand the City's desire for community workshops, Mr. Avery would facilitate them.

Our goal for this aspect of the recruitment process is to:

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

The formal position description and a subsequent ideal candidate profile would be developed from the collective discussions and incorporated into the formal position announcement. The candidate profile is also utilized in various other means as a marketing tool, for advertising copy, postings, and for other announcements.



## II. Development of the Search Strategy

Our search strategy will be developed in conjunction with the organizational assessment. The final approach is based on your input and considerations during the assessment activity. For this assignment, we feel it is critical to develop a high level of visibility with a comprehensive outreach program supplemented by a focused targeted recruitment approach. It is our experience that despite extensive mailing, postings and announcements, many qualified individuals will not know of a position being available. We would incorporate the following elements into this search:

- Development of a targeted candidate list based on our extensive database of key executive contacts, referrals and recommendations from key sources, and other current and former City Management personnel who have extensive contacts and networks in this area. Throughout the outreach period, this list of potential candidates is expanded through phone and/or email contact regarding this position.
- Direct outreach and contact to various city managers and city/county executives who could be viable candidates for the position. This allows us to contact and market the position to potential candidates that are not actively seeking new opportunities. This aspect of outreach is essential to the success of the recruitment as many times, the successful candidate is not looking for another opportunity or is not aware the opportunity exists. Our role is to actively and aggressively, yet professionally, identify and contact individuals that meet the position specifications.
- To ensure we create as much visibility to the position as possible. This includes an extensive mailing campaign to current city managers in the state and where possible utilizing email blasts to city management membership. Additionally, we would utilize Internet posting on sites such as the ICMA, Western City and other appropriate online sites. We would also use print advertising the ICMA newsletter, Jobs Available and if turn around time allows for it, Western City magazine.

## III. Candidate Assessment

Our assessment process involves several “tiers” of evaluation. All candidates responding to this position will initially be evaluated based on their resume and if appropriate, an extensive phone “screening” by a member of the project team. Candidates who pass the initial “qualifying” criteria are then scheduled for a formal interview with Mr. Avery. These extended personal interviews typically take one hour and a thorough discussion of their experience, accomplishments, management philosophy and interpersonal style takes place.

In interviewing candidates, we utilize a methodology based on “behavioral” interview techniques. Fundamentally, this approach explores a candidate’s past accomplishments and experiences that relate to the position being considered. The philosophy here is that the best indicator of future performance is to evaluate past behavior. This methodology



allows the firm to “project” how a candidate would approach and address the key challenges in the new position.

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

#### IV. Candidate Presentation

Upon completion of formal interviews, a selection of candidates for presentation is made. We feel our extensive qualification, interview, and reference interviewing process and the knowledge gained during our initial assessment period; enable our client to proceed with fewer rather than more finalists. However, we will not restrict or limit the number of candidates recommended as this decision is related to the overall strength and depth of the candidate pool.

The final candidates are presented in our extensive candidate presentation “book”. Each finalist will have a file consisting of a candidate summary sheet, the submitted cover letter and resume, the Candidate Assessment Report (based on the “behavioral” interview), and two candidate reference interviews. This extensive profile on each recommended candidate continually generates positive feedback from our clients as it provides extensive detail beyond just a resume.

The Candidate book also identifies other candidates who were given secondary consideration, which provides the client insight on others who were interviewed. Candidate summary sheets are created for everyone who submitted a resume would also be included. This provides the client an insight to the level and nature of response for their position.

#### V. Selection Process

Once the final candidate interview group is identified, we will develop and facilitate a selection process to include the City Council and if desired, a community panel. Our firm will also provide candidates with guidance related to travel planning, hotel accommodations, as well as other interview planning issues. Our firm will also develop potential interview questions and be in attendance during final interviews to help facilitate the process and to lead an end of day debrief and evaluation process.

Upon request, our firm will also arrange for summary background evaluations on the City's final one or two candidates. A copy of these confidential reports can be provided for you. The costs for these investigations are considered independent of the recruitment expenses listed below and will be invoiced separately.



VI. Position Closure and Follow-Up

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

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

Recruitment Schedule

| Task   | Scheduled Dates     |
|--|---------------------|
| <i>Search Initiation, Marketing &amp; Advertising Development:</i> <ul style="list-style-type: none"> <li>▪ <i>Initial meetings with City Council, staff, key stakeholders/community to define the ideal candidate profile</i></li> <li>▪ <i>Develop working draft of the recruitment brochure for approval by client</i></li> <li>▪ <i>Recruitment strategy finalized</i></li> <li>▪ <i>Determination of advertising scope and placement deadlines</i></li> <li>▪ <i>Brochure designed and printed</i></li> </ul> | <i>Weeks 1 - 4</i>  |
| <i>Marketing, Advertisement and Outreach Period:</i><br><i>Advertise in:</i> <ul style="list-style-type: none"> <li>▪ <i>Mailing to City Managers</i></li> <li>▪ <i>Jobs Available</i></li> <li>▪ <i>Western City</i></li> <li>▪ <i>ICMA newsletter and website</i></li> <li>▪ <i>City Management Internet advertising</i></li> </ul> <i>Preliminary candidate screening</i>   | <i>Weeks 4 - 10</i> |
| <i>Candidate Review - Screening and Finalists Selection</i>  | <i>Weeks 6 - 10</i> |
| <i>Development and finalization of Oral Board Interview process and interview questions</i>  | <i>Weeks 11-13</i>  |
| <i>Oral Board Interviews with City Council</i>   | <i>Week 14</i>      |
| <i>Department Head/Finance Staff/Council and/or Community representative interviews with finalists (if desired)</i>  | <i>Week 14-15</i>   |
| <i>Final interviews and reference checks</i>   | <i>Week 16</i>      |
| <i>Appointment Offer/Acceptance</i>  | <i>Week &gt;17</i>  |
| <i>Report to Work Date</i>   | <i>Week &gt;17</i>  |



## Consulting Fee

Based on the services described in our proposal, the professional services consulting fee for this recruitment will be \$15,900. There is no extra charge for the community workshop or community panel involvement. If awarded the search, we would request an initial retainer of \$5,900 at the outset of the search. A second invoice of \$5,000 would be submitted upon the Client's acceptance of a finalist candidate group. The final balance of \$5,000 would be invoiced upon acceptance of a job offer constituting completion of the search. Our invoicing model ensures the firm will remain totally committed to the City throughout the duration of the search as the final invoice is not submitted until the City has an accepted candidate. The consulting fee will be inclusive of all services defined within this proposal unless otherwise stated.

In addition to the Professional Services Fee, normal and direct out-of-pocket expenses associated with the search are charged back to the client. Expenses for this assignment would be a not-to-exceed amount of \$6,000 without the express consent of the City. These expenses include: advertising, clerical time, supplies, printing, telephone, postage, summary background evaluations, and consultant travel for client discussions, meetings and local or out-of-area candidate interviews. All expense items will be detailed and billed on a monthly basis. Both the professional services fee and expenses reflect substantial discounts from our normal fees based on our long-standing relationship with the City.

## Guarantees and Ethics

Whenever William Avery & Associates, Inc. is retained; we make several guarantees and commitments to a client. Due to our experience, knowledge and success within the management-consulting field, we assure a client that we will only present candidates who meet a substantial majority of the ideal qualifications that you have outlined. We are also committed to continue our search efforts until a successful candidate is employed.

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

It is also our practice to replace a candidate who may voluntarily resign during the first year of his/her employment. This same commitment applies if the client finds it necessary to terminate or to request the resignation of the selected individual in the first year for any reason. In either case, we invoice a client only for out-of-pocket expenses incurred in identifying a replacement.



|   |   |   |
|---|---|---|
| Approvals/workflow<br>1. Dept Head<br>2. Admin Svcs<br>3. City Manager<br>4. City Council | <b>City of Paso Robles</b><br><b>BUDGET ADJUSTMENT REQUEST</b><br>Search for City Manager | Budget JE #<br><br>AGENDA DATE<br><span style="background-color: yellow;">4/7/2015</span> |
|---|---|---|

| DESCRIPTION                    | ORG #   | OBJECT # | PROJECT # | AMOUNT          |
|--------------------------------|---------|----------|-----------|-----------------|
| <b>FINANCING SOURCES</b>       |         |          |           |                 |
| General Fund                   | 100     | 99999    |           | \$21,900        |
|                                |         |          |           |                 |
|                                |         |          |           |                 |
|                                |         |          |           |                 |
| <b>TOTAL FINANCING SOURCES</b> |         |          |           | <b>\$21,900</b> |
| <b>FINANCING USES</b>          |         |          |           |                 |
| Professional Services          | 1001320 | 52240    |           | \$21,900        |
|                                |         |          |           |                 |
|                                |         |          |           |                 |
| <b>TOTAL FINANCING USES</b>    |         |          |           | <b>\$21,900</b> |

**JUSTIFICATION: (attach letter if required)**

|  |  |
|--|--|
| <b>REQUESTED BY:</b><br><br>_____<br>Date                      Department Head | <b>REVIEWED &amp; APPROVED BY:</b><br><br>_____<br>Date                      Administrative Services |
|--|--|

**APPROVED BY:**

\_\_\_\_\_

Date                      City Manager

**PASSED AND ADOPTED** by the City Council of the City of Paso Robles, State of California, this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_. Agenda Item No. \_\_\_\_\_

**ATTEST:** \_\_\_\_\_

Deputy City Clerk