

30

*years of
innovative
management
consulting*

April 8, 2005

Mr. Kurt Spitzer
P.O. Box 867
Tallahassee, FL 32302

Dear Mr. Spitzer:

The attached document outlines our proposed work plan and schedule to conduct an Update study for the Pinellas Charter Commission for the selected functional activities of Fire and Building/Zoning. This supplementary proposal is to allow our company to commence the activities for the two areas immediately. Please provide us with notification to proceed on these two elements. We are delaying commencement of the other areas pending notification. Please note that it is more cost efficient to conduct an update and review of all five functional departments (as outlined in our previous proposal dated March 18, 2005), than to review functional areas separately or in other various combinations.

As you have requested, these areas will be completed as soon as possible; therefore we have shortened the work schedule outlined in our March 18th proposal. We anticipate that upon approval, our consultant team would need about three months to complete the proposed study. We have also attached our estimated fees and expenses.

Please review this document and provide your suggestions and comments.

Sincerely,



Stephen F. Humphrey, Jr.
Senior Partner

Attachment

2123 Centre Pointe
Boulevard
Tallahassee, FL 32308
850.386.3191
850.385.4501 fax
www.mgtamer.com

METHODOLOGY AND APPROACH

Below we provide a detailed work plan of our methodology and the time line for completing the update of certain functions for the Pinellas County Charter Commission. We fully understand the importance of this project and its importance to the citizens of Pinellas County. MGT will utilize the information contained in our previous 1992 study, *Pinellas County Government Services Improvement Study*, to conduct the update for the County/City functions of Fire and Building/Zoning/ Planning & Code Enforcement. The update study will only focus on the recommendations presented in the 1992 study. We provide information regarding our approach in the following major sections :

- A. Methodology
- B. Detailed Work Plan
- C. Time Line

A. Methodology

The following sections provide details of this team's methodology for this project. The following are priority assumptions with which we begin our planning.

Work Plan. We place great importance on our work plan. It is the document that we use to manage the study and the document that the Commission can use to monitor our progress during the project. Thus, it is critical that the work plan is detailed and that it reflects exactly what the assessment is to accomplish. For this reason, we have included as our first step of the project a complete review of our work plan by the client project director. Based on that review, we will make appropriate revisions and issue a revised work plan and time schedule, if necessary.

Communication. We place significant emphasis on gathering internal stakeholder input during this study. We see part of our job as helping the Commission build a consensus for necessary change, and helping the various organizations understand the needs and wants

of its citizens and stakeholders in order to provide better services. It is also why an important step in our work plan is a meeting with appropriate representatives to discuss the team's findings up to that point. This is done before a draft report is written, in order to tentatively confirm our early research and analysis, and to conduct a creative brainstorming session together as a partnership of client and consultant, and agree on a direction for the final report.

Flexibility. We recognize that an effective work plan for a management review must be flexible enough to accommodate unforeseen circumstances, problems and issues and to probe deeper in certain organizational and management areas when necessary. Accordingly, we are prepared to make appropriate adjustments in our work plan and schedule at any time to produce the most effective results possible and to maintain our time schedule.

Work Processes. We will study key aspects of the selected functions for Fire and Building/Zoning/Planning & Code Enforcement. The purpose of this study is to conduct an analysis of organizational structures, operational procedures, identify duplicate services, and improvements in the quality of services and/or ease of access to services for citizens of Pinellas County. The ultimate goal is to improve the effectiveness and efficiency of the identified functional operations.

Strengths and Weaknesses. In all of our management and operations review processes, we will identify and document both the strengths and weaknesses factors of proposed management practices and processes, organizational structures, and operations. Too often, management studies such as this do a disservice by concentrating on weaknesses and failing to identify strengths. We will look at both as we anticipate some important improvements and modifications have been made since the 1992 study.

Documentation. We will document our findings and recommendations for this study. Facts and data will be presented to support every finding and recommendation. Sufficient information will be presented in our report in a clear, understandable way so that the reader can follow each of our analyses and the resulting recommendations.

B. Detailed Work Plan

We place great importance on thorough preparation for each project since it lays the foundation for ultimate success—a satisfied client whose expectations are fully realized. Part of this preparation includes development of a project work plan to help:

- establish a clear understanding with our client regarding what will be done and the products that will be produced;
- provide a means for our client to anticipate project activities and monitor progress;
- provide a basis for making specific consultant assignments and for managing project progress and results; and
- provide a basis for determining our project costs.

A graphic overview of our work plan for this consulting project is presented in Exhibit 1 on the following page. The work plan consists of the three phases — with Phase I. On-Site Work further divided into two subphases. Within the phases and subphases are 10 steps or tasks.

Briefly, these work plan phases, subphases, and tasks are as follows:

PHASE I. ON-SITE WORK

Project Initiation and Planning

- Task 1.0 Initiate Project
- Task 2.0 Develop Preliminary Functional Profiles
- Task 3.0 Summarize Input

Functional Reviews

- Task 4.0 Conduct Interviews and Collect Information
- Task 5.0 Evaluate Organization, Operations, and Costs
- Task 6.0 Develop Commendations, Findings, and Recommendations

PHASE II. DRAFT REPORT

- Task 7.0 Prepare Draft of Final Report

PHASE III. FINAL REPORT

- Task 8.0 Prepare and Deliver Final Report
- Task 9.0 Issue Final Report
- Task 10.0 Make Oral Presentations

**EXHIBIT 1
WORK PLAN OVERVIEW**

Error! Not a valid link.

PHASE I: – ON-SITE WORK

Project Initiation and Planning

Task 1.0: Initiate Project

Task 2.0: Develop Preliminary Department Profiles

TASK 1.0: INITIATE PROJECT

Objectives:

- To gain a more in-depth understanding of the project background and the goals and expectations.
- To establish a mutually agreeable work plan, time line, and progress monitoring process that will lead to successful accomplishment of project objectives.
- To inform county and city representatives of the project objectives, plans, and schedules.

Activities:

- 1.1 Meet with project management and key department heads in the county and cities to discuss and refine the following elements of our proposed approach:
 - objectives;
 - scope;
 - work plan;
 - functional review sequence and timelines;
 - status reporting procedures;
 - working paper requirements;
 - final report outline; and
 - other pertinent issues.
- 1.2 Arrange for on-site office space and access to office support equipment.
- 1.3 Meet with key representatives to introduce the project and the consultant team.

Deliverable:

- Monthly Status Reports (for duration of the project) that summarize project activities for the prior period, actual progress compared to the project work plan and plans, for the next period. We will also identify any problems encountered and their proposed solutions

TASK 2.0: DEVELOP PRELIMINARY FUNCTIONAL PROFILES

Objectives:

- To collect and review baseline organization, staffing, financial, and operational information about the Fire and Building/Zoning Departments.
- To prepare and issue preliminary functional profiles.
- To analyze the baseline information and make final adjustments to the project approach.
- To prepare and issue the final work plan and project time line.

Activities:

2.1 Obtain and review key documents, including:

- county and city organization charts;
- authorized and filled positions for both departments;
- personnel rosters and position descriptions;
- budgets and financial reports;
- strategic and operational plans;
- routine management and operating reports; and
- key statutes, ordinances, resolutions, and/or policies.

2.2 Request that each service provider provide information regarding their mission, goals, programs, responsibilities, functions, and key issues as well as their expectations/desires for this project.

2.3 Prepare and issue preliminary functional profiles.

2.4 Prepare and issue the final work plan and project time line.

Deliverables:

- Preliminary Functional Profiles
- Final Work Plan and Project Time Line

TASK 3.0: SUMMARIZE INPUT

Objective:

- To identify performance issues, commendations, and concerns that should be addressed during the review.

Activities:

- 3.1 Analyze the results and determine key issues that should be addressed during the review. Assign responsibility for each to one or more consultant teams.
- 3.2 Ensure that the project approach will meet Charter Commission's expectations. Refine the approach, as necessary.

Deliverable:

- Functional Profiles

PHASE I: – ON-SITE WORK

Department Reviews

- Task 4.0: Conduct Interviews and Collect Information**
- Task 5.0: Evaluate Organization, Operations, and Costs**
- Task 6.0: Develop Commendations, Findings, and Recommendations**

TASK 4.0: CONDUCT INTERVIEWS AND COLLECT INFORMATION

Objectives:

- To collect factual information needed to understand and evaluate each department's operations, services, costs, and management practices.
- To obtain management opinions and perceptions regarding issues, strengths, and weaknesses.

Activities:

- 4.1 Schedule and conduct interviews with the managers and supervisors in the County and each relevant city department. The objectives of these interviews are:
 - to obtain information regarding the organization, staffing, services, responsibilities, management practices, and operations;
 - to understand departmental issues, needs and concerns; and
 - to request pertinent department documents and data and determine their availability, reliability, and source.

- 4.2 Tour relevant departmental facilities and observe actual operations so the consultant team can gain additional understanding and can begin identifying potential problems or opportunities for improvement.
- 4.3 Collect pertinent department documents and data including:
- current organization charts showing number of authorized positions as well as any positions currently vacant;
 - policy and procedures manuals;
 - annual work plans and annual performance/operating reports;
 - performance measures and/or level of service standards, if available;
 - workload volumes for primary work functions/activities for the past two years;
 - routine operational data and management reports (manual and computerized);
 - list and brief descriptions of data processing systems being used;
 - facilities and equipment and their condition; and
 - training programs.

Deliverable:

- None

<i>TASK 5.0: EVALUATE ORGANIZATION, OPERATIONS, AND COSTS</i>
--

Objectives:

- To analyze and evaluate each service-providing department's organization, operations, services, costs, and management practices.
- To reach preliminary conclusions regarding opportunities for improvement.

Activities:

- 5.1 Summarize and analyze the information collected in each of the following areas:
- organizational structure, using the following criteria:
 - actual and "official" organization structures are comparable;
 - related functions grouped within the same organizational entity;
 - clear lines of authority and accountability;

- supervisory spans of control of three to ten direct reports; and
- few, if any, one-on-one reporting relationships.
- operations, including:
 - appropriate and adequate operating policies and procedures;
 - effective and efficient work processes, workflow, methods and procedures within and among departments;
 - appropriate use of information technology;
 - adequate employee skills/capabilities and ongoing training programs; and
 - adequate and well-maintained facilities and equipment.
- customer services, including:
 - specified programs and services provided in accordance with legal mandates;
 - desired results or benefits achieved;
 - customer-orientation with a clear focus on service timeliness, responsiveness, and effectiveness;
 - adequate external communications;
 - routine reports regarding customer requests and complaints; and
 - periodic measurement of overall customer satisfaction.
- costs, including:
 - supported, justified budget requests;
 - actual expenditures compared to budget;
 - efficient utilization of staff resources;
 - economic acquisition and utilization of equipment and operating resources; and
 - nonmandated/nonessential services.
- management practices, including;
 - informed and timely decision-making at appropriate levels;
 - meet performance expectations;
 - use of sound resource allocation and scheduling techniques;
 - maintain balance between workload and staffing levels;
 - use of routine management and operational reports that incorporate appropriate performance measures; and
 - adequacy of internal communications.

5.2 List key issues identified during the analysis.

5.3 Compile and organize the background material necessary to understand and assess the existence of functional overlaps or potential benefits of combined operations.

5.4 Prepare a preliminary analysis and assessment of the review to date and the findings/issues to be addressed in the report.

Deliverable:

- Preliminary observations on key organizational operations and related issues

<i>TASK 6.0: DEVELOP COMMENDATIONS, FINDINGS, AND RECOMMENDATIONS</i>
--

Objectives:

- To develop a detailed outline of actions since 1992 and establish findings based on the current operational structure and practices.
- To develop a detailed outline of proposed recommendations.

Activities:

- 6.1 Discuss any comments regarding the preliminary strengths and weaknesses identified, conduct any additional research needed, and revise the list as appropriate. Determine effects of actions taken since the 1992 study.
- 6.2 Develop an outline of proposed commendations and findings based on the revised list of current operational strengths, weaknesses, and overlaps in responsibilities. For each, outline the supporting facts and/or opinions with reference to the background materials in the working papers.
- 6.3 Outline an improvement recommendation for each significant functions, where appropriate. The recommendations will focus on improving services, reducing costs, without adversely affecting services, and on correcting identified deficiencies. They could include:
 - revise the organization structure;
 - streamline work processes and work flows among and within departments;
 - eliminate operational duplications or overlap;
 - improve policies, procedures, methods, facilities, and/or equipment;
 - increase use of information technology;
 - improve customer-oriented focus and increase service effectiveness and/or timeliness;
 - develop/refine resource management techniques;
 - reduce costs by eliminating personnel, operating, or capital expenditures; and/or

- assess the impact of each recommendation and relevant factors that should be considered if the recommendation is implemented.

Deliverable:

- Detailed Outline of Proposed Commendations, Findings, and Recommendations

PHASE II: – DRAFT REPORT

Task 7.0: Prepare Draft of Final Report

TASK 7.0: PREPARE DRAFT OF FINAL REPORT

Objectives:

- To prepare a draft report documenting the project results.
- To review the draft report with relevant management and obtain comments and suggestions.

Activities:

7.1 Prepare an initial draft of the project report. The report will include:

- executive summary:
 - project objectives;
 - listing of commendations and recommendations for each department; and
 - summary of functional fiscal impact statements.
- separate chapter for each of the functions containing:
 - review methodology;
 - background:
 - * organization and staffing;
 - * budget; and
 - * primary programs and operations;
 - commendations, each with supporting facts and/or opinions;
 - findings, each with supporting facts and/or opinions;
 - recommendations, referencing related finding(s) and describing the change and its justification in detail;
 - implementation strategies, plan, and time line—specifying what should be done, primary responsibility, and schedule; and

- fiscal impact, consisting of a chart that lists each recommendation and the savings, implementation costs, and net fiscal impact.

7.2 Participate in a meeting with key representatives for a detailed review of the first report draft. This will include a discussion of each issue, recognition and resolution of any disagreements, and identification of any additional information and/or analysis that is needed.

Deliverables:

- Draft of Final Report
- Draft Review Meeting

PHASE III: – FINAL REPORT

Task 8.0: Prepare and Deliver Final Report

Task 9.0: Issue Final Report

Task 10.0: Make Oral Presentations

TASK 8.0: PREPARE AND DELIVER FINAL REPORT

Objectives:

- To review the draft report with key government and Charter Commission representatives and reach consensus regarding any additional changes.
- To prepare and deliver the final report.

Activities:

- 8.1 Reach consensus between the Charter Commission and the consultant regarding the draft and any additional changes to be made.
- 8.2 Prepare final version of the report by making any additional changes to the draft.
- 8.3 Deliver the final report.

Deliverable:

- Final Report

TASK 9.0: ISSUE FINAL REPORT

Objective:

- To make final edits and release the report.

Activities:

- 9.1 Make any final edits and corrections to the report.
- 9.2 Advise and assist the Commission, as requested, regarding the printing and public release of the final report.

Deliverables:

- Final Edits and Corrections to Report
- Final Released Version of Report

TASK 10.0: MAKE ORAL PRESENTATION

Objective:

- To make oral presentation(s) of the project results to the Charter Commission and other groups, as requested.

Activity:

- 10.1 Make an oral presentation to the Charter Commission within one month of the report's public release date.

Deliverable:

- Oral Presentation

C. Project Time Line

MGT's proposed schedule and time line covers a period of three months from project initiation. Exhibit 2 presents our estimated time schedule by major project work task. Please note that MGT is prepared to negotiate an alternative time frame if required by the Charter Commission.

EXHIBIT 2 PROJECT TIME LINE

PROJECT PHASE/TASK	MONTH		
	Month 1	Month 2	Month 3
PHASE I. <u>ON-SITE WORK</u>			
<u>Project Initiation and Planning</u>			
Task 1.0 Initiate Project	■		
Task 2.0 Develop Preliminary Functional Profiles	■		
Task 3.0 Summarize Input	■		
<u>Department Reviews</u>			
Task 4.0 Conduct Interviews and Collect Information		■	
Task 5.0 Evaluate Organization, Operations, and Costs		■	
Task 6.0 Develop Commendations, Findings, and Recommendations		■	
PHASE II. <u>DRAFT REPORT</u>			
Task 7.0 Prepare Draft of Final Report			■
PHASE III. <u>FINAL REPORT</u>			
Task 8.0 Prepare and Deliver Final Report			■
Task 9.0 Issue Final Report			■
Task 10.0 Make Oral Presentations			■

COST

MGT of America is prepared to conduct a management review of selected Pinellas County functions as described in this proposal for a fixed fee amount of **\$55,000**, which includes all professional fees and project expenses. MGT proposes to invoice in two equal installments of \$27,500. The table below presents a summary of the total estimated project costs.

PROPOSAL COST SUMMARY

Description	Estimated Cost
Professional Fees	\$51,985
Project Expenses (includes travel, telephone, copier, and supplies)	\$ 3,015
TOTAL	<u>\$55,000</u>

The cost proposal below displays the detail of our proposed professional fees, including personnel, estimated hours, and hourly rates inclusive of overhead and profit.

PROFESSIONAL FEES AND PROJECT HOURS DETAIL

Personnel Category	Hourly Rate	Estimated Hours	Total Fees
Sr. Partner	\$220	16	\$3,520
Principal	\$190	28	\$5,320
Senior Consultant	\$150	255	\$38,250
Analyst	\$85	37	\$3,145
Editorial/Clerical Staff	\$35	50	\$1,750
Total Professional Fees			\$51,985
Expenses			\$3,015
Total			\$55,000

MGT of America, Inc., is greatly interested in working with Pinellas County on this important initiative. We are open to discussions regarding our proposed scope of work, detailed work plan, and staffing assignments, and are available to make reasonable adjustments to ensure that the Commission is able to conduct this project effectively and within budget.