



BUSINESS ACTION ITEM STAFF REPORT

ITEM 6B. ADOPTION OF RESOLUTION 24-XXX. DISCUSS, REVIEW, AND ADOPT A RESOLUTION APPROVING A SECOND AMENDMENT TO THE AGREEMENT FOR TRANSITIONAL CONSULTING SERVICES FOR ACTING GENERAL MANAGER DUTIES AND RE-APPOINT PATRICK FAVERTY, Ed.D. AS INTERIM GENERAL MANAGER.

Summary:

The San Simeon Community Services District (the “District”) currently contracts with Patrick Faverty, Ed.D. to provide consulting services to the District as its Interim General Manager. The District intended to search for a long-term General Manager, and Dr. Faverty’s contract expired on November 2, 2023, the date by which the District Board of Directors (“Board”) expected to complete the General Manager hiring process. Rather than hiring a long-term General Manager, the District has elected to initiate the dissolution process. Consequently, Dr. Faverty’s contract needs to be reinstated and extended the dissolution process is ongoing. Dr. Faverty also needs to be re-appointed to the role of Interim General Manager during this transition period to allow him to perform the Interim General Manager duties.

On June 23, 2023, the Board directed staff to enter into an Agreement for Transitional Consulting Services for Acting General Manager Duties (the “Transitional Consulting Services Agreement” or “TCSA”) with Dr. Faverty to perform the General Manager services while the District searched for a permanent General Manager. The TCSA describes the precise scope of duties to be performed during the transition period and provides a term of two (2) months. The TCSA took effect on June 26, 2023, and expired on July 31, 2023.

On August 3, 2023, the District entered into a First Amendment to the Transitional Consulting Services Agreement for Acting Manager Duties (the “First Amendment”), extending the term of the TCSA through November 2, 2023. The First Amendment also appointed Dr. Faverty as Interim General Manager. The Board intended to make every effort to conduct interviews with potential General Manager candidates and thereafter commence negotiations with the candidate(s) with the goal of reaching an agreement to hire a new General Manager no later than the November 2, 2023, regular Board meeting.

Instead of hiring a long-term General Manager, the Board decided to pursue dissolution of the District. Given the complexity of making a decision to dissolve a special district, the District's decision to pursue that course of action was pending for several months. That decision making process delayed the District's search for a General Manager as a new General Manager would not be necessary if the District elected to dissolve. Since the District has elected to pursue dissolution, it is no longer necessary to hire a General Manager. Nevertheless, an Interim General Manager is still needed to continue fulfilling the General Manager duties until the District dissolves. The dissolution process can take nine (9) to twelve (12) months or longer, and it is therefore necessary to extend Dr. Faverty's term with a Second Amendment to the Transitional Consulting Services Agreement for Acting Manager Duties ("Second Amendment") for another year until May 2, 2025, or until the District dissolves, whichever occurs first. Dr. Faverty also needs to be re-appointed to the position of Interim General Manager for the duration of the Second Amendment.

Board Actions:

1. The Board may adopt the Resolution and approve the proposed Second Amendment.
2. The Board may adopt the Resolution and approve the proposed Second Amendment, subject to any changes as directed by the Board.
3. The Board may reject the Resolution and proposed Second Amendment and take no further action.

Attachments:

1. Resolution.
2. Proposed Second Amendment to Agreement for Transitional Consulting Services for Acting General Manager Duties.