

**Executive Search Services Proposal**

**Rochelle Municipal Utilities**

**General Manager**

**August 26, 2011**

# Executive Search Services Proposal

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## Objective

Mycoff, Fry & Prouse will conduct a comprehensive executive search to recruit a General Manager for Rochelle Municipal Utilities in Rochelle, Illinois.

## Mycoff, Fry & Prouse Overview

Carl Mycoff established Mycoff, Fry & Prouse, and its predecessor, Mycoff & Associates, in 1974. The firm has become a recognized leader in the recruitment of executives, management personnel, and industry experts for the electric, natural gas, and water industries. Our typical clients require executive search services from a firm with substantive knowledge of the industries listed. Our clients include:

- Investor-owned utilities
- Rural distribution cooperatives
- Rural generation and transmission cooperatives
- Energy marketers
- Independent system operators
- Municipally owned joint action agencies
- Municipally owned utilities
- Non-utility generators
- Public power districts
- Reliability organizations
- Private and public water utilities
- Transmission companies.
- Consultants who serve the listed industries.

We maintain an extensive database of 40,000 executives, management personnel and industry experts in virtually every region of the country.

We successfully completed assignments for Presidents and Chief Executive Officers, Chief Operating Officers, Chief Financial Officers, Senior Vice Presidents, Vice Presidents, Directors, Managers, and various industry experts.

Over the last 25 years, we assisted in the selection of over 90 chief executives and hundreds of senior officers. Attached is a partial listing of some of our completed engagements, which provides specific examples of searches we successfully completed along with contact information so our performance can be verified.

We are proud of the repeat business we enjoy with our clients, which we feel is the true measure of performance.

## Scope of Work

To search out suitable candidates and facilitate the selection of the General Manager, we propose:

### *Information Gathering*

We will meet with Rochelle Municipal Utilities in Rochelle, Illinois, to obtain information regarding:

- The goals, responsibilities and duties of the General Manager.
- The desired training, experience, talents, skills, and personal attributes of candidates

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for the General Manager.

- Rochelle Municipal Utilities organization and related operating performance and business strategies.
- Organizational information (revenues, financial condition, customers, staff, resources, organizational structure, corporate culture, compensation issues, etc.).
- Regional information (location, population, climate, growth rate, culture, cost of living, etc.).

## *Develop a Position Profile*

We will use the gathered information, in consultation with Rochelle Municipal Utilities, to develop a position profile that describes the General Manager's goals, responsibilities, and duties; required education, training, experience, and personal abilities; and organizational and regional information.

## *Conduct Recruitment Activities*

After compiling the information listed under Information Gathering, we will research our extensive database and other resources to identify potential candidates or "leads" to potential candidates. We will contact these individuals to determine their suitability or to solicit suggestions of other possible candidates. When appropriate, we will evaluate internal candidates to determine their suitability. In some instances, we may place advertisements in suitable publications to solicit individuals not in our database.

In all assignments, we aggressively recruit minority and female candidates.

Mycoff, Fry & Prouse will conduct telephone interviews with the most promising external and internal candidates to investigate the following:

- The degree the candidates satisfy the established criteria.
- The candidates' level of interest in becoming General Manager.
- The candidates' and their families' attitudes toward a job change and, if necessary, relocation.
- The feasibility of a job change and relocation (ease of home sale, retirement plans, family ties, health, etc.).
- The candidates' current compensation, the cost of living in their present location, and their compensation requirements.

We will evaluate candidates, submit a long-list of appropriate individuals along with their credentials, and recommend a short-list of the most qualified.

## *Interview of Candidates*

After Rochelle Municipal Utilities reviews the resumes and approves or revises the short-list of prospects, we will conduct face-to-face interviews with these individuals in Rochelle, Illinois. After conducting interviews, we will recommend finalists for an interview with Rochelle Municipal Utilities. Recommendations are documented in an "Interview Report" format that includes a detailed history on each candidate, pertinent logistical facts, and commentary supporting our recommendation.

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Once Rochelle Municipal Utilities reviews the interview reports and selects finalists, we will assist Rochelle Municipal Utilities subsequent interview and selection process by:

- Scheduling Rochelle Municipal Utilities interviews with finalists.
- Facilitating Rochelle Municipal Utilities interviews as requested.
- Notifying candidates of their selection or rejection.
- Background investigations.
- Salary, contract, and employment negotiations.

## **Fees and Expenses**

Our fee is 28% of the annual agreed upon salary of the General Manager, with a minimum fee of \$39,000, plus expenses. The fee is payable at 1/3 of the estimated total in advance; 1/3 of the estimated total when we submit the long list of candidates; and the balance when the General Manager begins employment.

Reimbursable expenses, which will include a 10% mark-up for handling and carrying cost, will include:

- Mycoff, Fry & Prouse travel expenses to meet with Rochelle Municipal Utilities, if needed, as described under Information Gathering.
- Approved recruitment advertising expenses.
- Travel expenses for Mycoff, Fry & Prouse to conduct face-to-face interviews with approved candidates in Rochelle, Illinois, or other approved locations.
- Mycoff, Fry & Prouse travel expenses to attend Rochelle Municipal Utilities interviews or additional meetings as requested by Rochelle Municipal Utilities.

Rochelle Municipal Utilities will incur expenses to interview the finalists in Rochelle, Illinois, and expenses to relocate the selected individual. Mycoff, Fry & Prouse will incur telephone, postage, printing, and other administrative expenses.

## **Search Manager and Search Team**

One of our principals, Scott Fry, Carl Mycoff, or Lanie Prouse will lead the search engagement with support from our senior recruiter.

## **Additional Information**

### ***Guarantee***

We will conduct an additional search for no additional fee should the candidate we recommend terminate employment for any reason other than lack of work, illness, injury, or death within one year of the employment date.

