



CITY OF LONG BEACH

OFFICE OF THE CITY MANAGER

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December 4, 2012

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution authorizing the City Manager to execute a contract, and any amendments thereto, with Management Partners, Inc., of Cincinnati, OH (not an MBE, WBE, SBE or Local), for professional consulting and project management services pertaining to fiscal sustainability initiatives identified in the Fiscal Year 2013 Adopted Budget, on the same terms and conditions afforded to the City of Santa Ana, in a total amount not to exceed \$500,000, for a period of one year, with an option to renew for one additional year. (Citywide)

DISCUSSION

As Fiscal Year (FY) 2012 was underway, City staff initiated an agreement through a purchase order for \$79,950 with Management Partners, Inc. (Management Partners). In preparation of the budget review process for FY 2013, Management Partners provided an objective review process that identified potential revenue and cost-saving opportunities while comparing City operations to a number of other California municipalities where they have conducted budget related studies. Management Partners has a significant amount of expertise in improving government organizations and their operations. They have been under contract to a number of cities, such as, but not limited to Berkeley, Costa Mesa, Oakland, San Bernardino, San Jose, Santa Ana, Stockton, and Tracy.

The Management Partners study performed in FY 2012, became a point of reference as the City Council discussed and adopted the FY 2013 budget. The study pointed out possible savings from compensation reviews, outsourcing recommendations and other general observations. Based on these recommendations, in FY 2013, City Council approved the funding of various fiscal sustainability initiatives and appropriated \$200,000 in one-time oil revenue funding. This funding is intended to support professional services to achieve these operational reviews and assessments.

The City Manager is recommending that two specific initiatives be undertaken. The first initiative is to identify and assist with implementation of compensation changes. This includes confirming those that may be implemented at the discretion of the City and associated cost savings, developing a prioritized list of compensation changes, and supporting implementation. The second initiative is to evaluate the potential for providing selected City services through an alternative delivery model. Additional initiatives may be undertaken as funding is identified.

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Management Partners was selected by utilizing City Charter Section 1802 that permits the City to purchase or otherwise obtain services by relying on a procurement process performed by another governmental agency when adopted by a Resolution of the City Council.

In this case, the City is relying on the procurement process conducted by the City of Santa Ana. Santa Ana awarded a contract for consulting services related to strategic budget planning that meets the City's needs. This cooperative purchase agreement will allow the City to use Management Partners to facilitate the timely acquisition of services, while providing competitive pricing. The City Manager recommends that Management Partners be awarded a contract to provide professional support for the aforementioned initiatives.

The matter was reviewed by Deputy City Attorney Amy R. Webber on November 20, 2012 and by Budget Management Officer Victoria Bell on November 16, 2012.

TIMING CONSIDERATIONS

City Council action to adopt the attached Resolution and to execute a contract concurrently is requested on December 4, 2012, to ensure that the contract is in place expeditiously.

FISCAL IMPACT

The FY 2013 Adopted Budget earmarks \$200,000 in one-time oil revenue funding for the implementation of fiscal sustainability initiatives. However, contractual authority in the amount of \$500,000 is requested to allow for the implementation of additional initiatives related to efficiencies in Fleet, Refuse, Technology Services, and other enterprise-funded operations. Funding for these initiatives will come from enterprise funds as appropriate.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



PATRICK H. WEST
CITY MANAGER

PHW:GH

Attachment: Resolution

1 RESOLUTION NO.
2

3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING THE CITY
5 MANAGER TO EXECUTE AN AGREEMENT WITH
6 MANAGEMENT PARTNERS, INC. FOR PROFESSIONAL
7 CONSULTING AND PROJECT MANAGEMENT SERVICES
8 THROUGH THE CONTRACT BETWEEN THE CITY OF
9 SANTA ANA AND MANAGEMENT PARTNERS, INC. FOR
10 AN AMOUNT NOT TO EXCEED \$500,000
11

12 WHEREAS, the Charter of the City of Long Beach (the "City"), Section
13 1802, permits the City to purchase services, supplies, materials, equipment and labor
14 with other government agencies by purchasing under their contracts on a voluntary and
15 selective basis when authorized by resolution; and

16 WHEREAS, the City desires to obtain professional consulting and project
17 management services related to fiscal initiatives identified in the Fiscal Year 2013
18 adopted budget; and

19 WHEREAS, Management Partners, Inc. has a Contract with the City of
20 Santa Ana for such professional consulting and project management services, Contract
21 No. A-2012-144 ("Santa Ana Contract"); and

22 WHEREAS, the City's participation in the Santa Ana Contract will facilitate
23 the timely analysis of public sector management and efficiency opportunities as well as
24 provide considerable cost benefits to the City; and

25 WHEREAS, if the City had to utilize a formal bid process rather than
26 participate in the Santa Ana Contract considerably more funds would be required;

27 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
28 follows:

