

Agenda Report

March 7, 2016

TO: Honorable Mayor and City Council

FROM: Department of Finance

SUBJECT: APPROVAL OF AN INCREASE TO PURCHASE ORDER NO. 1160093 WITH MV CHENG & ASSOCIATES FOR TEMPORARY STAFFING ASSISTANCE

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not subject to the California Environmental Quality Act (CEQA) as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the project; and
2. Authorize an increase to Purchase Order No.1160093 with MV Cheng & Associates from the current not to exceed amount of \$250,000 to a new not to exceed amount of \$370,000. Competitive bidding is not required pursuant to City Charter Section 1002(F) contracts for professional or unique services.
3. To the extent this could be considered a separate transaction subject to competitive selection, grant the proposed transaction an exemption pursuant to Municipal Code Section 4.08.049(B), contracts for which the City's best interest are served.

BACKGROUND:

In January 2015, due to unforeseen vacancies of key employees, a purchase order was opened in the amount of \$74,999 for temporary consulting services in the Finance Department. There was urgency to maintain the flow of key functions that were left vacant in the Finance Department, so the City Manager approved an exemption of a Request for Proposal (RFP) solicitation, deeming that it was in the best interest of the City to forego this process. At the time, there was no clear estimate of how long the vacancies would continue. By the close of fiscal year 2015, the Finance Department

continued to require outside staffing support and the unused balance of \$45,964 was carried over to Fiscal Year 2016 and a new purchase order issued. On August 31, 2015 the purchase order was brought to City Council and approved for an increase to \$250,000. As of January 31, 2016, there is a remaining balance of \$3,948.

Increasing the purchase order from \$250,000 to \$370,000 will cover services through June 2016 to continue key additional support to the Finance Department, specifically in the Purchasing, Budget, and Accounts Payable Divisions.

MV Cheng & Associates is a Pasadena-based company that provides exemplary consulting services. It is in the City's best interest to continue with their services to save staff time and costs in seeking another consulting firm. MV Cheng & Associates understands the Finance Department's needs and provides the required services to assist with the duties and functions of the divisions. The consultants provided thus far have had many years of finance experience in the public sector.

Exemption from competitive bidding is requested under Charter Section 1002 (F) as this contract is for professional services. Exemption from competitive selection is requested under Municipal Code Section 4.08.049 (B), where the best interests of the city are served by a direct award of contract without a competitive selection process due to the timing requirements of the City to fill key positions.

COUNCIL POLICY CONSIDERATION:

This action supports the City Council's goal to maintain fiscal responsibility and stability.

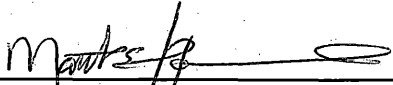
ENVIRONMENTAL ANALYSIS:

This action is exempt from CEQA pursuant to CEQA Guidelines Section 105061(b) (3), the General Rule that CEQA only applies to projects that may have an effect on the environment.

FISCAL IMPACT:

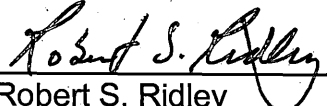
The cost of this action is \$120,000. Funding for this action will be addressed by the use of existing budgeted appropriations in the Finance Department's Purchasing and Budget Divisions due to salary savings. It is anticipated that the entire cost will be spent during the current fiscal year.

Respectfully submitted,



MATTHEW E. HAWKESWORTH
Director of Finance

Prepared by:



Robert S. Ridley
Controller

Approved by:



STEVE MERMELL
Interim City Manager