



REPORT TO COUNCIL City of Sacramento

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915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

Consent
November 30, 2010

**Honorable Mayor and
Members of the City Council**

Honorable Members in Session:

Title: Approval of Supplemental Agreement No. 3 to Agreement No. 2010-0343: Renne Sloan Holtzman & Sakai, LLP

Location/ Council District: Citywide

Recommendation: Adopt a Resolution 1) Authorizing the City Manager and City Attorney to execute Supplemental Agreement No. 3 to Agreement 2010-0343 in the amount of \$16,000 to increase the total agreement to an amount not to exceed \$108,000 for services related to labor negotiations.

Contact: Patti Bisharat, Assistant City Manager, (916) 808-8107
Sandra Talbott, Assistant City Attorney, (916) 808-5346

Presenters: Not applicable.

Department: City Manager and City Attorney

Division: N/A

Organization No: 02001011

Description/Analysis

Issue: As part of the restructuring of the City's labor relations function, the City Manager wished to retain the services of a consultant to provide assistance related to labor negotiations with various recognized employee organizations including services as the City's chief negotiator. The City was entering negotiations with three key labor groups which contracts expiring in June 2010. The CMO and CAO selected Renne Sloan Holtzman Sakai LLC a law firm specializing in Labor Relations and Human Resources. Only the City Attorney can retain legal services on behalf of the City and at the request of the City Manager, the City Attorney executed legal services Agreement No. 2010-343

with Renne Sloan Holzman Sakai LLC in the amount of \$30,000. Payment for services of the consultant are borne by the City Manager's Office and paid from the City Manager's professional services budget. The City Manager is authorized to enter into agreements for professional services up to \$100,000. Labor negotiations, which were expected to be completed by the end of June, were not completed until October. Accordingly, the City Manager requested execution of Supplemental Agreements No. 1 and 2 with the consultant to provide advice and representation during on-going negotiations. Final cost for services provided by the consultant will exceed the City Manager's authority and it is necessary to seek City Council authority to increase the total agreement to an amount not to exceed \$108,000.

Policy Consideration: The City frequently retains consultants to provide expertise when undertaking complex and intensive efforts such as negotiations with three employee unions.

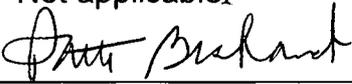
Environmental Consideration: The requested Council action does not constitute a "project" and therefore is exempt from California Environmental Quality Act (CEQA) pursuant to Section 15062(b)(3) because it does not involve an activity that will have a significant effect on the environment.

Rationale for Recommendation:

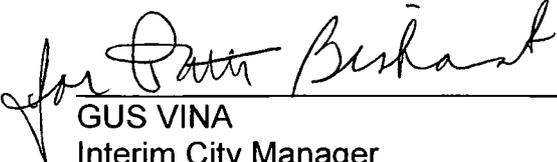
Due to the desire to restructure the City's approach to labor negotiations and the specialized field of labor negotiations and employee union matters, the City entered into an agreement with a consultant. With the expertise of the Contractor, the City has successfully negotiated with employee unions and reached labor concessions to balance the FY2010/11 budget. The City Council has approved the final agreements reached with these employee unions with the assistance of the Consultant. New negotiations will begin in early 2011 and the Contractor's services may be required.

Financial Considerations: This action will authorize the City Manager and City Attorney to execute a Supplemental Agreement No. 3 to Agreement 2010-0343 to increase the total agreement to an amount not to exceed \$108,000. There are funds in the City Manager's professional services budget to fund this Supplemental Agreement.

Emerging Small Business Development (ESBD): Not applicable.

Respectfully Submitted by: 
Patti Bisharat, Interim Assistant City Manager

Recommendation Approved:


GUS VINA
Interim City Manager

APPROVED AS TO FORM:

CITY ATTORNEY

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RESOLUTION NO.

Adopted by the Sacramento City Council

Approval of Supplemental Agreement No. 3 to Agreement No. 2010-0343:
Renne Sloan Holtzman & Sakai, LLP

BACKGROUND:

- A. As part of the restructuring of the City's labor relations function, the City Manager wished to retain the services of a consultant to provide assistance related to labor negotiations with various recognized employee organizations including services as the City's chief negotiator
- B. Only the City Attorney can retain legal services on behalf of the City and at the request of the City Manager, the City Attorney executed legal services Agreement No. 2010-343 with Renne Sloan Holzman Sakai LLC in the amount of \$30,000. The City Manager is authorized to enter into agreements for professional services up to \$100,000.
- C. Labor negotiations, which were expected to be completed by the end of June, were not completed until October. Accordingly, the City Manager requested execution of Supplemental Agreements No. 1 and 2 with the consultant to provide advice and representation during on-going negotiations. Final cost for services provided by the consultant will exceed the City Manager's authority and it is necessary to seek City Council authority to increase the total agreement to an amount not to exceed \$108,000.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager and City Attorney are authorized to execute Supplemental Agreement No. 3 to Agreement 2010-0343 in the amount of \$16,000 to increase the total agreement to an amount not to exceed \$108,000 for services related to labor negotiations with Renne Sloan Holtzman Sakai LLC.

SUPPLEMENTAL AGREEMENT

Project Title and Job Number: Negotiations with employee organizations
Purchase Order #:

Date: 11.30.10
Supplemental Agreement No.: 3

The City of Sacramento ("City") and Renne Sloan Holtzman Sakai LLP ("Consultant"), as parties to that certain Legal Services Agreement designated as Agreement Number 2010-0343, including any and all prior supplemental agreements modifying said agreement (said agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. The Scope of Services specified in Exhibit A of the Agreement is amended as follows:

The Attorney shall continue to perform the services described in Exhibit A as stated in the original Agreement. This Supplemental Agreement increases the amount of the original contract by \$15,000 to compensate the Attorney for increased hours of services.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Consultant's fees and expenses, is **increased** by \$15,000, and said maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	30,000
Net change by previous supplemental agreements:	62,000
Not-to-exceed amount prior to this supplemental agreement:	92,000
Increase by this supplemental agreement:	15,000
New not-to exceed amount including all supplemental agreements:	108,000

3. Consultant agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Consultant for any and all direct and indirect costs that may be incurred by Consultant in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Consultant.
4. Consultant warrants and represents that the person or persons executing this supplemental agreement on behalf of Consultant has or have been duly authorized by Consultant to sign this supplemental agreement and bind Consultant to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Consultant shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

Attorney:

Approved As To Form By:

Jeffrey Sloan, Partner
Renne Sloan Holtzman Sakai LLP

Sandra G. Talbott, Assistant City Attorney

Approved By:

Attested By:

Patti Bisharat, Interim Assistant City Manager

City Clerk