REPORT TO COUNCIL
City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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CONSENT
January 9, 2007

Honorable Mayor and
Members of the City Council

Title: Supplemental Agreement: Department of General Services Re-Engineering

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) Approving Supplemental Agreement No. 1 for an amount not to exceed $102,000 with CPS Human Resource Services for the Department of General Services re-engineering project, and 2) resetting the City Manager's supplemental agreement authority for the project.

Contact: Reina J. Schwartz, Director, Department of General Services, 808-7195

Presenters: Not applicable

Department: General Services

Divisions: All

Organization No: 3112

Description/Analysis

Issue: On November 14, 2006 the Department of General Services reported to City Council on the progress of the department's re-engineering effort to improve customer service and focus on getting the customer to success. The department is working with CPS Human Resource Services, through the use of cooperative purchasing ability on a County of Sacramento contract, to provide consulting services to the department during the re-engineering process. This report recommends approval of Supplemental Agreement No. 1 with CPS Human Resource Services.

Policy Considerations: The actions requested in this report are consistent with Sacramento City Code Title 3, Chapter 3.64.

Commission/Committee Action: Not applicable.

Environmental Considerations: The Environmental Services Manager has determined that this report is exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to Section 15061(b) (3) of the

CEQA guidelines. Exemption 15061(b) (3) consists of an activity covered by the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Rationale for Recommendation: In an effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing. When considering the administrative costs of procurement, staff considers product research, source selection, specifications, advertising, staff reports, awarding, protest, and administration of the agreement. It is often more cost effective to eliminate the cost and time spent on these administrative processes and procure services through cooperative purchasing.

Staff has previously confirmed the following information regarding the County of Sacramento contract with CPS Human Resource Services:

- The agreement contains the proper scope and specifications to provide consulting services for the department's re-engineering project
- The agreement was competitively bid and can be used by the City of Sacramento
- The agreement is valid to August 31, 2007
- The contract was written for the amount of $164,000

Financial Considerations: Sufficient funds are available within the Department of General Services FY2006/07 operating budget to cover the cost of Supplemental Agreement No. 1 for an amount not to exceed $102,000 with CPS Human Resource Services.

Emerging Small Business Development (ESBD): CPS Human Resource Services is not a City certified emerging or small business enterprise. The underlying contracts supporting cooperative purchasing arrangements are created, evaluated, and awarded by other government agencies that may or may not have similar emerging and small business programs. The Department of General Services will consider alternative procurement processes if it is determined that cooperative purchasing will negatively impact its ability to achieve the established city-wide annual goal.

Respectfully Submitted by: Reina J. Schwartz
Reina J. Schwartz
Director, Department of General Services

Recommendation Approved:

for Ray Kerridge
City Manager

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Background Information:

In order to continuously improve customer service and focus on getting its customers to success, the Department of General Services is undergoing a comprehensive evaluation and re-engineering process.

In July, 2006, the department began working with CPS Human Resource Services on the department re-engineering project by using cooperative purchasing ability on a County of Sacramento contract. To date, $98,000 has been encumbered for the following project steps:

- Examine the organizational structure of the Facilities and Real Property Management division
- Develop an implementation plan for the approved organizational structure of the Facilities and Real Property Management division
- Examine the organizational structure of the Fleet Management division
- Examine the business processes of the Business Operations division

Supplemental Agreement No. 1 in the amount of $102,000 will provide for an implementation plan for the approved organizational structure for the Fleet division, an implementation plan for the Business Operations division streamlined business processes, as well as an examination of, and implementation plan for the Animal Care Services division.

On November 14, 2006 the department reported to City Council on the progress made on the re-engineering project.

RESOLUTION NO. 2007-XXXX

Adopted by the Sacramento City Council

January 9, 2007

APPROVE SUPPLEMENTAL AGREEMENT NO. 1 FOR AN AMOUNT NOT TO EXCEED $102,000 WITH CPS HUMAN RESOURCE SERVICES FOR THE DEPARTMENT OF GENERAL SERVICES RE-ENGINEERING PROJECT AND RESET THE CITY MANAGER'S SUPPLEMENTAL AGREEMENT AUTHORITY FOR THE PROJECT

BACKGROUND

A. In order to continuously improve customer service and focus on getting its customers to success, the Department of General Services is undergoing a comprehensive evaluation and re-engineering process.

B. Cooperative purchasing through other government agency agreements is an efficient means of obtaining professional consultant services.

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

Section 1. Supplemental Agreement No. 1 with CPS Human Resource Services for an amount not to exceed $102,000 is hereby approved.

Section 2. The City Manager supplemental agreement authority for the Department of General Services re-engineering project is hereby reset.