

Switzer, Donna

From: Fikes, Cathy
Sent: Monday, March 15, 2021 8:40 AM
To: Agenda Alerts
Subject: FW: Council Agenda Item #14 - Public Sector Personnel Consultants, Inc.

From: Chi, Oliver <oliver.chi@surfcity-hb.org>
Sent: Sunday, March 14, 2021 4:34 AM
To: Gino J. Bruno <gbruno@socal.rr.com>
Cc: CITY COUNCIL <city.council@surfcity-hb.org>; Gates, Michael <Michael.Gates@surfcity-hb.org>
Subject: RE: Council Agenda Item #14 - Public Sector Personnel Consultants, Inc.

Hi Gino!

Happy Sunday, hope that you are well!

Appreciate you looking into this matter, after receiving your email, I did do some addition review as to how we procured the services for our class and comp review.

As you noted, per HBMC §3.02.190(C)2, the Purchasing Manager can authorize procurement of goods / services utilizing a piggy-back process off of another contract award. Our Administrative Services team had initially looked to issue an RFP, however, our Finance Director and purchasing officer suggested that we procure services through identification of firms that had been awarded bids through procurement processes in other jurisdictions. Through that process, our Administrative Services staff was provided with a listing of eligible firms to complete the class / comp review, and ultimately, Public Sector Personnel Consultants, Inc., was identified as the firm to coordinate the work for the City.

The actual process of conducting a class / comp review is actually fairly standard between governmental agencies. To that end, the service being requested in HB for the review is identical in nature to the service that Montebello coordinated. The difference in price takes into account not a different type of service, but a difference between the size / scale of HB as an agency compared to Montebello. A few notes to support that assertion:

- Montebello has around 380 FTE, while Huntington Beach has around ~900 FTEs.
- We have ~350 unique job classifications in HB, while Montebello has a total of 280 employees.
- Given the number of classifications and staff members, we anticipate the review taking ~270 days to complete in HB. In Montebello, it took 120 days.

The price difference between what HB is being charged and what Montebello paid isn't related to a difference in the service being provided, but rather, a difference in scale / scope. I'd also note that Public Sector Personnel Consultants, Inc., has performed work for larger agencies like HB, including:

- **City of San Bernardino - \$150,000**
- **City of Riverside - \$125,000** (only Service Employees International Union employees)
- **City of Dallas, TX - \$225,000**
- **City of Irving, TX - \$172,500**
- **City of Victoria, TX - \$125,000**

Hope you have a good rest of the weekend Gino.

Meeting Date: 3/15/21

Agenda Item No.: 14(21-202)

**SUPPLEMENTAL
COMMUNICATION**

Best,
Oliver

Oliver Chi
City Manager

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From: Gino J. Bruno <gbruno@socal.rr.com>
Sent: Thursday, March 11, 2021 4:43 PM
To: Chi, Oliver <oliver.chi@surfcity-hb.org>
Cc: CITY COUNCIL <city.council@surfcity-hb.org>; Gates, Michael <Michael.Gates@surfcity-hb.org>
Subject: Council Agenda Item #14 - Public Sector Personnel Consultants, Inc.

Mr. Chi . . . Item 14 on the City Council Agenda for this Monday evening is to approve spending \$175,000 to hire the Mesa, AZ-based-consultant, Public Sector Personnel Consultants, Inc., to conduct a Class & Comp study.

- Please provide me with a copy of the RFP for this project.
- If your Administration failed to issue an RFP, and is relying instead on HBMC §3.02.190(C)2 [*which requires utilizing a "contract . . .for identical or nearly identical goods and/or services"*] by using the Montebello contract then, in that event:
 - In Montebello, the Classification Study portion was \$30,000, and the Compensation Study portion was \$40,000, for a Total Not To Exceed of \$70,000.
 - How do you justify not using the standard RFP process with the huge disparagement (two and a half times the amount) between \$70,000 and \$175,000 which clearly cannot be for "identical or nearly identical goods and/or services"?

I note that HBMC §3.02.190(C)2 reads in full:

The Purchasing/Central Services Manager may authorize the procurement of goods and/or services through the use of a contract initiated by another governmental, public or quasi-public entity, provided that the original parties to the contract agree, the contract was awarded. The contract is for identical or nearly identical goods and/or services, and the contract resulted from a competitive bid using methods similar to those required by this chapter.

Thank you, and I look forward to your response, as I hope the City Council does as well.

Gino J. Bruno
Huntington Beach