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OAKLAND

2018 APR 26 PM 1:45

# AGENDA REPORT

**TO:** Sabrina B. Landreth  
City Administrator

**FROM:** Ian Appleyard  
Director, Human Resources  
Management

**SUBJECT:** Executive Recruitment Services On-  
Call Contracts

**DATE:** April 16, 2018

City Administrator Approval

Date:

4/25/18

## RECOMMENDATION

**Resolution Authorizing The City Administrator To Execute A Two Year Extension For Existing On-Call Professional Service Agreements With (1) The Hawkins Company And (2) Ralph Andersen & Associates To Provide Executive Recruitment Services At A Cost Not To Exceed \$350,000 Per Contract, Which Is An Increase Of \$200,000 Per Contract, For A Total Contracting Cost Not To Exceed \$1,000,000 Through March 1, 2021 And Waiving The Competitive Request for Proposals/Qualifications Process.**

## EXECUTIVE SUMMARY

Staff seeks an extension and increase to the not to exceed contract amounts for two existing executive recruitment firms that were selected as a result of a formal Request for Proposals process in July 2015. The contracts are slated to expire on March 1, 2019 and have reached the not to exceed contract amount. Extending the length of the contracts and increasing the capped dollar threshold with the two firms, The Hawkins Company and Ralph Andersen & Associates, will allow immediate access to critically important executive recruitment services.

Authorization of this resolution will result in an extension of the current contracts with The Hawkins Company and Ralph Andersen & Associates for two (2) years to provide executive recruitment through March 1, 2021. The contract amount for The Hawkins Companies' contract will increase by \$200,000 with a new total contract amount not to exceed \$350,000, and the Ralph Anderson & Associates contract will increase by \$200,000 with a new total contract amount not to exceed \$350,000. This will allow the City to expeditiously initiate recruitment efforts for senior, executive and other highly specialized management level position when vacancies occur.

## BACKGROUND / LEGISLATIVE HISTORY

On July 22, 2015, the City of Oakland issued a request for proposal (RFP) for executive recruitment services. As a result of the RFP process, the City entered in to contract with four executive recruitment firms in March 2016. The four firms were The Hawkins Company, Management Partners, Ralph Andersen & Associates, and Avery Associates, Inc.

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Finance & Management Committee  
May 8, 2018

Since the initiation of the contracts, the City has utilized all four executive search firms for a variety of executive level recruitments based on the specific capabilities and experiences of the firms. Two of the four firms, Management Partners and Avery Associates, Inc. have not exceeded the contract amounts and are active through March 1, 2019. The other two firms, The Hawkins Company and Ralph Andersen & Associates have reached the not to exceed amount of \$150,000.

### **ANALYSIS AND POLICY ALTERNATIVES**

Executive level vacancies need specialized expertise and attention. When vacancies occur at the executive or senior staff level, the City occasionally utilizes the assistance of an executive search firm. Executive search firms can provide a variety of specialized services. These specialized services include extensive marketing efforts, confidential outreach to targeted candidates, rigorous reference checks, and compensation negotiation. Most importantly, the executive search firms are utilized because they have a broad network to engage potential candidates. The City does not possess such capabilities in-house.

The two firms (The Hawkins Company and Ralph Andersen & Associates) are both highly qualified and have proven performance records on facilitating the City's executive searches and identifying qualified candidates for high-level management positions. Since the two firms have been identified and vetted previously through a formal RFP process, it would be prudent for the City to continue to work with The Hawkins Company and Ralph Andersen & Associates on upcoming executive recruitments.

An RFP would take at least several months to complete and possibly longer, and the City urgently need to have a highly qualified executive recruitment firm available to conduct recruitments. So complying with the advertising requirements and completing a full RFP process would impede the City's ability to conduct critical executive recruitments that are pending which both firms have extensive expertise. Since both firms were selected relatively recently and were approved by City Council Resolution No. 86022 C.M.S in March 2016, it would be inefficient to undergo a new advertising and RFP process. The Human Resources Management Department does intend to initiate a new RFP process in mid-year 2020.

### **FISCAL IMPACT**

The fee for executive recruitments can vary widely from approximately \$15,000 to \$75,000 per recruitment depending upon a variety of factors including recruitment scope, complexity, specialty, and public engagement efforts required. In addition to the basic fee assessed for recruitments, firms typically charge for recruitment related expenses. These expenses can include travel costs for recruiters, advertisement costs, and the printing and duplication of marketing/exam materials.

All expenses related to executive recruitments are charged to the departments seeking the executive or highly specialized recruitment services. Departments usually cover these expenses using existing budget appropriations. HRM will verify with the Finance Department's

Budget Bureau the availability of funding prior to engaging a firm's support on a particular recruitment.

### **PUBLIC OUTREACH / INTEREST**

On July 22, 2015, the City of Oakland issued a request for proposal (RFP) for executive recruitment services. As a result of that RFP process, the City entered into contract with four executive recruitment firms in March 2016. The four firms were The Hawkins Company, Management Partners, Ralph Andersen & Associates and Avery Associates, Inc.

The Hawkins Company and Ralph Andersen & Associates are both highly qualified executive search firms and have proven performance records on facilitating the City's executive search and identifying qualified candidates for high-level management positions.

### **COORDINATION**

HRM staff worked closely with the City Administrator's Contracts and Compliance Division to ensure that the process for requesting contract extensions and increases to the not to exceed amount complied with the City's contracting and purchasing requirements. This report has been reviewed and approved the City Attorney's Office, Finance Department's Budget Bureau and Contracts and Compliance.

### **SUSTAINABLE OPPORTUNITIES**

**Economic:** No economic opportunities are identified in this report.

**Environmental:** No environmental opportunities are identified in this report.


**Social Equity:** No social equity opportunities are identified in this report.

**ACTION REQUESTED OF THE CITY COUNCIL**

Resolution Authorizing The City Administrator To Execute A Two Year Extension For Existing On-Call Professional Service Agreements With (1) The Hawkins Company And (2) Ralph Andersen & Associates To Provide Executive Recruitment Services At A Cost Not To Exceed \$350,000 Per Contract, Which Is An Increase Of \$200,000 Per Contract, For A Total Contracting Cost Not To Exceed \$1,000,000 Through March 1, 2021 And Waiving The Competitive Request for Proposals/Qualifications Process.

For questions regarding this report, please contact Lisa Wright, HR Operations Supervisor, (510) 238-6325.

Respectfully submitted,



IAN APPLEYARD  
Director, Human Resources Management

Reviewed by:  
Suzie Lawson, Acting HR Manager  
HRM Recruitment & Classification

Prepared by:  
Lisa Wright, HR Operations Supervisor  
HRM Recruitment & Classification

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

# OAKLAND CITY COUNCIL

  
City Attorney

2018 APR 26 PM 1:45

RESOLUTION No. \_\_\_\_\_ C.M.S.

**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A TWO YEAR EXTENSION FOR EXISTING ON-CALL PROFESSIONAL SERVICES AGREEMENTS WITH (1) THE HAWKINS COMPANY AND (2) RALPH ANDERSEN & ASSOCIATES TO PROVIDE EXECUTIVE RECRUITMENT SERVICES AT A COST NOT TO EXCEED \$350,000 PER CONTRACT, WHICH IS AN INCREASE OF \$200,000 PER CONTRACT, FOR A TOTAL CONTRACTING COST NOT TO EXCEED \$1,000,000 THROUGH MARCH 1, 2021 AND WAIVING THE COMPETITIVE REQUEST FOR PROPOSALS/QUALIFICATIONS PROCESS.**

WHEREAS, executive and senior level vacancies need specialized expertise and attention; and

WHEREAS, such specialized services can include confidential outreach to the targeted candidates, rigorous reference checks, extensive niche marketing efforts and compensation negotiation; and

WHEREAS, the City of Oakland does not possess such capabilities in-house; and

WHEREAS, it is in the interest of the City to utilize the professional services of executive recruitment firms to identify and screen desirable candidates for executive and senior level vacancies; and

WHEREAS, the City had undertaken an extensive Request for Proposal (RFP) process in July 2015 which resulted in the selection of four (4) firms in March 2016 including The Hawkins Company, Management Partners, Ralph Andersen & Associates and Avery and Associates, Inc., to provide executive recruitment services for the City; and

WHEREAS, Two of the four firms, The Hawkins Company and Ralph Andersen & Associates have reached the not to exceed amount of \$150,000; and

WHEREAS, the City urgently needs to have highly qualified executive recruitment firm available to conduct recruitments; and

WHEREAS, both firms, The Hawkins Company and Ralph Andersen & Associates have been vetted previously through a formal RFP process and have demonstrated a recruitment methodology and capability to assist the City in recruiting high caliber candidates; and

WHEREAS, it would be prudent and efficient for the City to continue to work with The Hawkins Company and Ralph Andersen & Associates on upcoming executive recruitments; and

WHEREAS, the Oakland Municipal Code section 2.04.051.A requires the City Administrator to conduct a Request for Proposal (RFP) process for professional services contract in excess of \$50,000 and Oakland Municipal Code section 2.04.051.B allows Council to waive the RFP requirements upon a finding by the Council that is in the best interest of the City to do so; and

WHEREAS, City staff recommends waiving the RFP requirements for this contract for the reasons stated above; now therefore be it,

**RESOLVED**, that the City finds and determines the forgoing recitals to be true and correct and hereby adopts and incorporate them into this resolution; and be it

**FURTHER RESOLVED**, that pursuant to Oakland Municipal Code section 2.04.051.B and for the reasons stated above and in the Human Resource Management Director's report accompanying this item, the City Council finds that is in the best interest of the City to waive the RFP requirements for this contract and so waives the requirements; and be it

**FURTHER RESOLVED**, that the City Council hereby authorizes the City Administrator to execute a two year extension for existing on-call professional services agreements with (1) The Hawkins Company and (2) Ralph Andersen & Associates to provide executive recruitment services at a cost of \$350,000 per contract, which is an increase of \$200,000 per contract, for a total contracting cost not to exceed \$1,000,000 through March 1, 2021; and be it

**FURTHER RESOLVED**, that based on information provided by the City Administrator, the Council finds that this contract is of a professional and temporary nature and shall not result in the loss of employment or salary by any person having permanent status in the competitive civil service; and be it

**FURTHER RESOLVED**, that the funding will be available from salary saving in departments seeking executive recruitment services upon the existence of such vacancies; and be it

**FURTHER RESOLVED**, that the City Attorney will approve the contracts as to form and legality and copies will be on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GIBSON MCELHANEY, GUILEN, KALB, KAPLAN, and PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_

LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California