



City of La Quinta

CITY / SA / HA / FA MEETING DATE: January 21, 2014

AGENDA CATEGORY:

ITEM TITLE: APPROVE PROFESSIONAL SERVICES CONTRACT WITH NEXLEVEL INFORMATION TECHNOLOGY, INC. FOR INTERIM FINANCE DIRECTOR SERVICES

BUSINESS SESSION: 4

CONSENT CALENDAR:

STUDY SESSION:

PUBLIC HEARING:

RECOMMENDED ACTION:

Approve Professional Services Contract with NexLevel Information Technology with the effective date of January 13, 2014 in an amount not to exceed \$84,100 and authorize the City Manager to execute.

EXECUTIVE SUMMARY:

- Due to the resignation of the City's Finance Director, Interim Finance Director services are required to oversee and manage the Finance Department.
- The City has worked with NexLevel Information Technology since April 2013, and in specific, with Patrick Griffin, Managing Consultant, on the implementation of the permitting, finance and human resources software systems.
- Mr. Griffin will serve as the City's Interim Finance Director through this agreement (Attachment 1).
- Recruitment for a permanent Finance Director has commenced and interim services will cease once the position is filled.

FISCAL IMPACT:

The cost of the contract is \$84,100, which covers the rest of the fiscal year of interim services; however, in the event a permanent Finance Director is hired before the end of the fiscal year, that cost will be prorated to actual hours worked. Funds budgeted for the Finance Director position will be utilized to cover the cost of the agreement. No additional allocation is necessary.

BACKGROUND/ANALYSIS:

Last month, the City's Finance Director, Robbeyn Bird, submitted her resignation effective January 16. The City has reengaged Peckham & McKenney, the executive search firm who conducted Ms. Bird's recruitment. This new recruitment will be open until February 26, and final interviews for the candidates are scheduled for March 21. It is anticipated that the City will have a permanent Finance Director in place by mid-April.

In the last few months, the Finance Department has been implementing a new finance software system, producing financial documents in a more user-friendly manner, and identifying methods to conduct business operations more effectively. This large undertaking has been assisted by NexLevel, a Sacramento-area management consulting company, and Mr. Griffin has been the City's management consultant during this process. Mr. Griffin is based in the Coachella Valley, will be working on-site in La Quinta, and the City will not pay for any travel/commuting costs. He has not only been instrumental in the implementation of the new finance and permitting software systems, but he is also familiar with city operations. He has over 32 years of experience in public sector local agency management with extensive expertise and knowledge in all aspects of city finance operations, having held a variety of finance positions with the Cities of Chino and Orange, as identified in his resume (Attachment 2).

The attached agreement allows the City to fill the Finance Director position, on an interim basis, by hiring Mr. Griffin and thus eliminating any disruption in management services in the department. His expertise will assist the City in successfully running Finance Department operations during this transition.

ALTERNATIVES:

As Interim Finance Director services are critical to City operations and a well-qualified individual familiar with La Quinta's organization has been identified, staff does not recommend an alternative.

Report prepared by: Chris Escobedo, Assistant to City Manager

Report approved for submission by: Frank J. Spevacek, City Manager

Attachments: 1. Professional Services Contract
 2. Resume



City of La Quinta

January 8, 2014

NexLevel Information Technology
Attn: Mr. Terry Hackelman
Managing Principal
6829 Fair Oaks Blvd., Suite 100
Carmichael, CA 95608

Re: Professional Services Contract

Dear Terry:

This letter will memorialize a Contract for Services between NexLevel Information Technology (NexLevel) ("Consultant") and the City of La Quinta for professional consulting services ("Services") for the City's Finance Department and Interim Finance Director Services.

The Consultant through Patrick Griffin or a replacement acceptable to the City shall provide Services as specified in the attached Scope of Work at the amount set forth therein. Total cost shall not exceed \$84,100 (Exhibit "A"). The Consultant shall provide 30 hours of service per week at \$115 per hour through the duration of the Agreement. Additional services must be approved in advance in writing by the City Manager and shall be paid for in an amount agreed to in writing by both City and Consultant in advance of the additional services being rendered by Consultant. The Consultant will not bill the City for travel expenses.

Consultant shall submit one invoice per month during the term of this agreement pursuant to the terms set forth in Exhibit A.

The Consultant is an independent contractor. Neither City nor any of its employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth. Consultant shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. Consultant agrees to pay all required taxes on amounts paid to Consultant under this Agreement, and to

indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. City shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to City from Consultant as a result of Consultant's failure to promptly pay to City any reimbursement or indemnification arising under this paragraph.

Prior to the beginning of and throughout the duration of the Services performed under this Agreement, Consultant shall procure and maintain, at its cost, and submit concurrently with its execution of this Agreement, the following types of insurance:

General Liability covering bodily injury, personal injury, and property damage, including without limitation, blanket contractual liability.

Automobile Liability covering bodily injury and property damage for all activities of Consultant arising out of or in connection with the Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles.

Workers' Compensation and Employer's Liability covering injuries or illnesses to Consultant's employees arising out of or in the course of the Services to be performed under this Agreement.

Professional Liability covering the Services to be performed in connection with this Agreement. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the Services required by this Agreement.

The following policies shall be maintained and kept in full force and effect providing insurance with minimum limits as indicated below and issued by insurers with A.M. Best and Company ratings of no less than A-:VI:

General Liability
\$1,000,000 per occurrence, \$2,000,000 general aggregate

Automobile Liability
\$1,000,000 combined single limit

Workers' Compensation / Employer's Liability

Statutory limits / \$1,000,000 per accident

Professional Liability
\$1,000,000 per claim and in the aggregate

The General Liability policy shall provide or be endorsed to provide that City of La Quinta and its officers, officials, employees, and agents shall be additional insured under such policy. This provision shall also apply to any excess liability policies.

All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against City of La Quinta, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with this Agreement to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City of La Quinta, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

All insurance required by this Section shall be kept in effect during the term of this Agreement and shall not be cancelable without written notice to City of proposed cancellation. The procuring of such insurance or the delivery of policies or certificates evidencing the same shall not be construed as a limitation of Consultant's obligation to indemnify City, its officers, employees, contractors, subcontractors, or agents.

To the fullest extent permitted by law, Consultant shall indemnify, defend, and hold harmless City and City's agents, officers, officials, employees, representatives, and departments ("Indemnified Parties") from and against any and all claims, losses, liabilities of every kind, nature and description, damages, injury, costs and expenses of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation, that arise out of, pertain to, or relate to, directly or indirectly, in whole or in part, the negligence, recklessness, or willful misconduct of Consultant, anyone directly or indirectly employed by them or anyone that they control.

In the event the Indemnified Parties are made a party to any action, lawsuit, or other adversarial proceeding in any way involving such Claims, the Consultant shall provide a defense to the Indemnified Parties, or at the City's option, reimburse the Indemnified Parties their costs of defense, including reasonable attorneys' fees,

incurred in defense of such claim. In addition the Consultant shall be obligated to promptly pay any final judgment or portion thereof rendered against the Indemnified Parties.

The City may at any time, for any reason with or without cause suspend or terminate this Agreement upon the issuance of a ten (10) day notice by the City. Upon receipt of such notice, the Consultant shall cease all work under this Agreement. The City shall pay the Consultant for services performed up to the time of termination and all work products shall be provided to the City.

This Agreement shall commence on January 13, 2014 and shall remain and continue in effect until the Services are completed or it is terminated, but no later than June 30 2014, without written approval of the City Manager.

Should you find this Agreement acceptable, please sign both original copies where indicated below and return to me. An original fully-executed copy of this Agreement will be forwarded to you.

Sincerely,

Frank J. Spevacek, City Manager

APPROVED AS TO FORM:

ATTEST:

M. KATHERINE JENSON
City Attorney

SUSAN MAYSELS
City Clerk

AGREED AND ACCEPTED:

NexLevel Information Technology

Dated: _____



By: Terry Hackelman

NexLevel Information Technology
Professional Services Contract
January 8, 2014
Page 5 of 5

Exhibit A
Scope of Services



January 6, 2014

Mr. Chris Escobedo - Assistant to the City Manager
City of La Quinta
78-495 Calle Tampico
La Quinta, CA 92253

Dear Mr. Escobedo,

NexLevel is pleased to present this statement of work to provide interim Finance Director services to the City of La Quinta. The primary objective of NexLevel's services will be to provide Finance Department oversight and management during the recruitment process for a permanent Finance Director.

More specifically, NexLevel proposes the following consulting services:

- ◆ Finance Department management and oversight- NexLevel will provide day to day supervision and management of the City's Finance Department, including oversight of all Department responsibilities.
- ◆ Assistance with implementation of the City's financial system currently underway – NexLevel will work closely with the City's project manager to continue the ongoing implementation of the new financial management system.
- ◆ Support on special projects and assignments as requested by the City Manager.

NexLevel will assign Patrick Griffin, NexLevel Managing Consultant, as the primary resource to provide the above described services.

NexLevel understands that the City wishes to have Mr. Griffin on site during the City's regular hours of operation, and anticipates accommodating this request to the fullest extent possible. Exceptions to the regular work schedule, if necessary, will be coordinated with the City Manager.

NexLevel will perform these services on a time and material basis. The City will only be billed for the actual hours worked. NexLevel will invoice the City on a monthly basis in arrears.

We welcome the opportunity to provide these services to the City of La Quinta. Please do not hesitate to contact me if you have any questions. I can be reached at 916-692-2000, extension 201 or by email at terry.hackelman@nexlevelit.com

Sincerely,

A handwritten signature in dark ink, appearing to read "Terry Hackelman".

Terry Hackelman
Managing Principal

Patrick J. Griffin

2012 – present Managing Consultant

NexLevel Information Technology, Inc.

In April 2012, after retiring from public sector employment, Mr. Griffin joined NexLevel as a Managing Consultant. NexLevel provides information technology consulting services to local public agencies throughout California, including assistance with procurement and implementation of software systems, technology assessments, and IT strategic planning. Since joining NexLevel, projects have included assessments for the cities of Rancho Palos Verdes, Manhattan Beach, Pismo Beach, Ontario, San Bernardino and Glendale, along with assisting the City of La Quinta with the procurement and selection of financial and permitting software systems.

1997 – 2012 Assistant City Manager / City Treasurer

City of Chino, California

From June 1997 through October 2009, the position was directly responsible for the management and supervision of the Administration Department. These activities included the Citywide operational and five year Capital Improvement Program budget, responsibility for all information technology functions, public information and outreach, and legislative activities. Responsible for oversight of major City and Redevelopment Agency projects and programs, including negotiations with developers, coordination between public agencies, and management of various City projects that affect the entire organization. The position was actively involved in interaction with the City Council and elected officials at all levels of government, and served as City Manager in the Manager's absence. As City Treasurer, responsible for the investment and management of the City and Redevelopment Agency's \$215 million portfolio, including daily investing and reconciliation, monthly reporting, and making recommendations to the City's Investment Advisory Committee.

Beginning in October 2009, with the retirement of two Department Directors and the subsequent reorganization of City functions, the Assistant City Manager position was assigned direct responsibility for the Community Development and Redevelopment Departments. Responsibilities include the direct oversight of the Planning, Building, Housing, Code Enforcement, Economic Development and Redevelopment functions, along with the coordination of Planning Commission activities. Responsibilities included supervision of thirty-nine professional and field inspection staff. In addition, the position was responsible for proactive economic development activities, including interfacing with developers and retailers to further the City's economic base. The Housing division offers many services to the community including housing rehabilitation, partnerships with non-profits, first time homebuyer programs, and the development of affordable housing in the City's newly developing areas. The position continued to be responsible for all Development Agreement responsibilities, and continued to serve as the City Treasurer.

1994 - 1997 Director of Finance / City Treasurer

City of Chino, California

Responsible for all aspects of the Finance Department, including payroll, accounts payable, general accounting, utility billing, purchasing, and warehouse functions of the City. Responsible for all aspects of debt issuance, along with the preparation and accuracy of the financial statements for the City and Redevelopment Agency.

1985-1994 Revenue Manager

City of Orange, California

Primary responsibilities included the formation and implementation of the City's annual revenue budget of approximately \$120 million.

1984-1985 Accounts Payable Supervisor

City of Orange, California

Direct supervision of the accounts payable function for the City. Supervised six employees in the processing and disbursement of approximately \$2 million in monthly warrants.

Patrick J. Griffin

1980-1984	Finance Clerk / Senior Finance Clerk City of Orange, California	
Education	Master of Arts, Public Administration California State University, Long Beach	1993
	Bachelor of Arts, Psychology California State University, Fullerton	1981
Professional Affiliations	League of California Cities California Municipal Treasurers Association	California Society of Municipal Finance Officers Government Finance Officers Association