

**AMENDMENT NUMBER ONE TO
PROFESSIONAL SERVICES AGREEMENT
WITH
CITY MANAGEMENT ADVISORS, LLC DBA PECKHAM & MCKENNEY**

This Amendment Number One ("Amendment") is dated April 1, 2024, ("Effective Date"), by and between the CITY OF COSTA MESA, a municipal corporation ("City") and CITY MANAGEMENT ADVISORS, LLC DBA PECKHAM & MCKENNEY, a California Corporation ("Consultant").

WHEREAS, City and Consultant entered into an agreement on March 28, 2024 for Consultant as an independent contractor to aid in recruitment for the position of Economic Development Services Director (the "Agreement"); and

WHEREAS, City now desires to amend the Scope of Services in Consultant's Proposal in Exhibit "A" of the Agreement to add the position of Transportation Services Manager to the executive recruitment, attached as Exhibit "A" to this Amendment; and

WHEREAS, Section 2.1 of the Agreement provides that Consultant shall be paid a flat fee of Twenty-Six Thousand Five Hundred Dollars (\$26,500.00) for the executive recruitment of the Economic Development Services Director. The City now agrees to pay Consultant an additional flat fee of Twenty-Six Thousand Five Hundred Dollars (\$26,500.00) for the executive recruitment of the position of Transportation Services Manager increasing the total compensation to Fifty-Three Thousand Dollar (\$53,000.00); and

WHEREAS, City and Consultant intend and desire that this Amendment Number One be retroactive to the Effective Date.

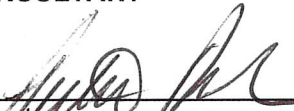
NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The foregoing recitals in this Amendment are hereby declared to be true and correct and are incorporated as if fully set forth herein.
2. This Amendment shall be retroactive to the Effective Date.
3. This Amendment One to the Agreement provides that the Scope of Services in Consultant's Proposal in Exhibit "A" of the Agreement is amended to add Exhibit "A" of this Amendment, the position of Transportation Services Manager to the executive recruitment.
4. Section 2.1 of the Agreement is amended to increase the total compensation to Fifty-Three Thousand Dollars (\$53,000.00) in compensation is approved for the executive recruitment of the position of Transportation Services Manager.

5. All terms not defined herein shall have the same meaning and use as set forth in the Agreement, as amended.
6. All other terms, conditions, and provisions of the Agreement, as amended, shall remain in full force and effect.
7. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by and through their respective authorized officers, as of the date first above written.

CONSULTANT



 Signature
ANTON DAHLERBRUCH
 Anton Dahlerbruch, Executive Recruiter
 and Managing Owner

Date: 10/17/24


CITY OF COSTA MESA



 Lori Ann Farrell Harrison
 City Manager

Date: 10/31/24

ATTEST:

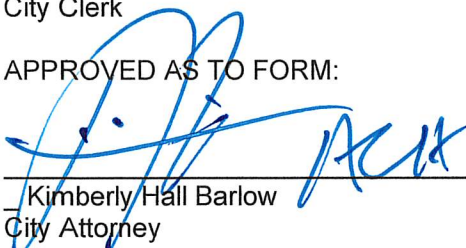


 Brenda Green
 City Clerk



Date: 11/1/2024

APPROVED AS TO FORM:



 Kimberly Hall Barlow
 City Attorney

Date: 10/24/24

APPROVED AS TO INSURANCE:



Ruth Wang
Risk Management

Date: 10/23/24

APPROVED AS TO CONTENT:



Robert Matsuura
Project Manager

Date: 10/24/24

DEPARTMENTAL APPROVAL:



Kasama Lee
Human Resources Manager

Date: 10/24/24

PURCHASING APPROVAL:



Carol Molina
Finance Director

Date: October 22, 2024

**EXHIBIT A
AMENDMENT TO SCOPE OF SERVICES
RECRUITMENT OF TRANSPORTATION MANAGER
AUGUST 8, 2024**



Recruitment of Transportation Manager, City of Costa Mesa, CA
August 8, 2024
Summary Proposal

Peckham & McKenney

Peckham & McKenney provides executive search services to local government agencies throughout the western United States and is headquartered in Roseville, CA. The firm, founded in 2004 by Bobbi (Peckham) McKenney and Phil McKenney, and now under the leadership of Anton “Tony” Dahlerbruch, maintains and is recognized for an unsurpassed commitment to service that has resulted in decades of successful placements and positive relationships with local government and applicants alike. Our team is comprised of 7 Executive Recruiters who are based in northern and southern California and represent, collectively, close to a century of experience in local government and executive search. Our team also includes administrative, research, and marketing and design professionals for conducting searches. We are proud of our reputation as one of the most trusted, respected, and successful executive recruitment firms in the country.

Since 2004, we have conducted close to 800 executive level recruitments. The scope of our recruitments includes many County, City and District positions throughout California and the list can be viewed [here](#). To learn more about Peckham & McKenney, please visit our web site at www.peckhamandmckenney.com.

Scope of Services

It is our understanding that the City of Costa Mesa is seeking search services for the position of Transportation Manager related to following phases:

- Project Organization and Development of the Candidate Profile (virtual meeting #1) – We will conduct another conference call with the appropriate City representatives to listen to specific expectations of the position; learn the background and experiences desired in the ideal candidate; further discuss the search timeline and calendar future meeting dates (including finalist interview process); and receive needed information pertaining to compensation and benefits, budget data, and high-resolution photos to be used in an attractive brochure to market the opportunity. As an outcome of the meeting, we will prepare the Candidate Profile that includes information relating to the City of Costa Mesa; current and future issues and opportunities; expectations, goals, and objectives leading to the success of the new Transportation Manager; and the background, experience, leadership style, skills and abilities, and personality traits of the ideal candidate.

A draft of the Candidate Profile will be provided to the designated City liaison for review. We ask that all revisions and corrections be provided to us in a timely manner in order to maintain the agreed-upon search timeline. Our marketing and design professional will then prepare an attractive marketing brochure. Upon completing the Candidate Profile, the brochure will be distributed, posted on the

Peckham & McKenney website and on social media, and provided to the City for posting. Advertisements will be placed in the appropriate publications and/or websites.

- Recruitment –The main focus of outreach will be direct phone contact with quality potential candidates, and our recruiting efforts will focus on aggressive recruiting of individuals within the search parameters established during the Candidate Profile Development. Applicants will be requested to submit an application consisting of a cover letter and resume. Once the resume filing deadline has passed, we will update the City on the status of the recruitment, the number of resumes received, and our intent for supplementary review.
- Supplementary Review – Upon our review of the resumes received, supplemental questionnaires will be sent to candidates who appear in most alignment with the Candidate Profile. In the supplemental questionnaire, applicants will be asked to address a few questions pertaining to the position that are based on information learned during Candidate Profile Development. The supplemental questionnaire is intended, in part, to ascertain the applicant’s familiarity with the City, qualifications and experience for serving in the position, and writing ability. Following a thorough review of the supplemental questionnaires, we will conduct preliminary telephone interviews with the individuals that most closely align with the Candidate Profile. Internet research will also be conducted so that we may probe the candidate regarding any areas of concern.
- Recommendation of Candidates/Selection of Finalists (virtual meeting #2) – A report will be prepared and provided to the City liaison for distribution. If the report is needed as a hard-copy, up to 4 copies will be provided. This report will include a full listing of all candidates who applied for the position and the cover letters, resumes, and supplemental materials of candidates recommended for consideration. The purpose of the meeting is to provide an overview of each recommended candidate, as well as share any concerns or negative information for the City to select finalists to interview. Once a group of finalists has been determined, we will revisit early decisions relating to the finalist interview process.

It is our understanding that finalists will make their own travel plans and reservations; the City and Peckham & McKenney will not reimburse finalists for round-trip airfare, car rental, and lodging necessary to attend the interview(s).

- Interview Process (on-site or virtual meeting #3) – Your Recruiter will provide facilitation during the initial interview process inclusive of an orientation session at the beginning, and a discussion of candidates at the end. A standard interview process of the leading 4 to 8 candidates is typically conducted within 1 day. Should the process desired by the City require more than 1 day with your recruiter, an additional fee will be charged. Typically, as a result of the day of interviews, the City will narrow the applicant pool to 2 to 3 candidates to independently conduct a second final one-on-one interview to make a final selection.

Typical Search Schedule

<u>ACTIVITY</u>	<u>TIME FRAME</u>
I. Project Organization and Development of Candidate Profile <ul style="list-style-type: none"> • Agreement approved • Formalize project schedule • <u>Virtual meeting #1</u> with City liaison • Develop Candidate Profile/Marketing Brochure • Develop advertising and recruitment plan 	2 Weeks
II. Recruitment FILING DEADLINE IS _____ <ul style="list-style-type: none"> • Advertise, network, and electronically post in appropriate venues • Focused outreach to individuals within the parameters of the Candidate Profile • Respond to all inquiries and acknowledge all resumes received within 48 hours 	5 Weeks
III. Preliminary Review and Interviews <ul style="list-style-type: none"> • Screen resumes and conduct Internet research • Identify leading candidates and request supplemental questionnaires • Review supplemental questionnaires • Conduct preliminary interviews with leading candidates 	2 Weeks
IV. Recommendation of Candidates/Selection of Finalists <ul style="list-style-type: none"> • <u>Virtual meeting #2</u> to provide recommended candidates (TBD) • City selects finalist candidates for finalist interview process • Peckham & McKenney notifies all candidates of status in recruitment process 	1 Week
V. Finalist Interview Process <ul style="list-style-type: none"> • <u>On-site or virtual meeting #3</u> to facilitate initial interviews (TBD) • Assist City throughout process and provide recommendations • City selects leading candidates for further consideration • Second interview(s) conducted independently by City (TBD) 	1 Week
VI. Background and Reference Check	1 Week

Cost of Services

Peckham & McKenney is unique among recruiting firms for several reasons including having a fixed all-inclusive fee. Over years of experience, we have found that an all-inclusive fee is simpler, cost-effective,

and efficient. This also provides that the client knows the full, complete fee for our service; we do not invoice “reimbursables” for any portion of the recruitment.

Recognizing the amount of outreach and direct work that will be necessary to find candidates and to be exactly consistent with the fee charged to conduct the search process for the Transportation Manager, the fee for this search will be \$26,500. Our all-inclusive fee includes all professional fees and expenses (out-of-pocket costs associated with advertising, consultant travel, administrative support / printing / copying / postage / materials, telephone / technology, partial background checks on recommended candidates, and full background check on selected finalist only).

The fee quoted above is for a full recruitment process as described in The Search Process, including 3 to 4 days of meetings. The first virtual meeting (1 to 2 days) is to develop the Candidate Profile; the second virtual meeting (1 day) is to provide a recommendation of candidates; and the third on-site or virtual meeting (1 day) is to facilitate initial interviews.

Additional Service Costs

The following “menu” details fees for additional requested services. Some fees may be negotiated.

Additional meeting day (up to 4 days as detailed herein are included)	\$500 - \$1,000/mtg + travel exp
Each additional full background check	\$500/each
Additional placement within organization*	\$5,000 (if selected within 1 year)

*If the City of Costa Mesa hires an additional candidate from among those recommended for another position within one year of the close of the recruitment, a fee of \$5,000 will be charged to the City.

Process of Payment

One-third of the all-inclusive fee is due as a retainer upon execution of the agreement. This retainer covers upfront and necessary expenses incurred by Peckham & McKenney on the City’s behalf for recruitment preparation, Candidate Profile preparation and advertising. The second third of the full payment will be invoiced one month from contract execution, and it is due within 30 days following the invoice date. The final third of the full payment will be invoiced two months from contract execution, and it is due within 30 days following the invoice date.

If the City of Costa Mesa requires a different payment schedule, this must be agreed upon within the contract. Peckham & McKenney expects payment of all invoices in a timely manner.

Agreement

Peckham & McKenney is the operating name of City Management Advisors LLC, Anton Dahlerbruch, Managing Member.

Insurance

City Management Advisors doing business as Peckham & McKenney carries Professional Liability Insurance (\$1,000,000 limit), Commercial General Liability Insurance (\$2,000,000 General Liability, and \$4,000,000 Products) and Automobile Liability Insurance (\$1,000,000). Our Insurance Broker is B&B Premier Insurance Solutions, Agoura Hills, CA.

Necessary insurance documentation will be provided to the City of Costa Mesa in a timely manner.

Diversity Statement

Peckham & McKenney is committed to diversity in its broadest possible definition in every aspect of each executive recruitment our firm provides. Peckham & McKenney does not discriminate on the basis of race, color, religion, creed, sex/gender, national origin/ancestry, disability, pregnancy, sexual orientation (including transgender status), marriage or family status, military status, or age. We are fully compliant with all applicable federal and state employment laws and regulations in all of our recruitments.

References

Will be provided on request.

Guarantee

- We will connect with you and our placement in 6 months and 1 year after the appointment to check-in.
- We will conduct a second search within 6 months of our search process if a candidate is not placed.
- If the placement vacates the position within 1 year from the date of accepting the offer, we agree to conduct a second search within 6 months of the vacancy.

Because of how we conduct recruitments, it is unusual that we are unsuccessful in providing a placement, an individual is not placed, or the placement vacates the position within a year. In the unlikely event that no qualified candidates are identified as a result of the search efforts, and it is mutually agreed that the result is due to the search effort and/or process, we will extend the search for a second time for expenses (\$7,200) only. If qualified applicants are not selected or the selected candidate is separated from employment within 1 year after accepting the offer, a second search will be conducted for the discounted fixed fee of \$17,200 (external candidates only, and except in the event of budgetary cutbacks, promotion, position elimination, or illness/death, etc.).