

SUMMARY OF RESOLUTION

Authorization to Enter into Agreements with A Pool of Firms to Provide Executive Search Services

Description

Port Authority of Allegheny County (Authority) requires a pool of firms to support the Authority's human resources functions by performing Executive Search Services (Services), on an as-needed basis, for up to a five-year period. The Authority intends to enter into agreements with up to three additional firms for Services in order to replenish the existing pool of firms. Work tasks would be assigned to the contractors via task-specific work orders on an as-needed basis. The agreements would be for a three-year period with the option of extending the term of the agreements up to an additional two years at the sole discretion of the Authority.

Evaluation Committee

Consistent with the Authority's Board-adopted Procurement Policy and Procedures for Competitive Negotiations for Professional and Technical Services, an Evaluation Committee (Committee) was convened to evaluate proposals and recommend the top-rated proposers to perform Services. Committee was comprised of four members and represented the Human Resources and Finance Divisions.

Schedule

Request for Qualifications No. 10-01 for Services was publicly advertised. The Authority sent copies of the advertisement to 120 firms; in addition, email notices were sent to 147 firms via ebusiness. A total of 17 proposals were received on February 16, 2010, five of which were distributed to Committee for review. The other 12 proposals were deemed to be non-responsive to the RFQ and were not subsequently reviewed by Committee.

Evaluation Process

Committee met to discuss and evaluate the proposals. As a result of the review of the proposals, Committee identified Krauthamer & Associates, Inc. (Krauthamer); New Economy Dynamics, LLC d/b/a Civic Solutions (Civic Solutions); and Gilbert Tweed Associates, Inc. (GTA) as the proposers with the highest-rated proposals to perform Services.

Summations of Committee for each of said proposers follow.

Krauthamer demonstrated excellent experience in providing executive search services for higher-level positions with many major transit agencies in the country. Proposed staff possessed excellent experience placing executives in high level

positions of the transit industry. Krauthamer provided an exceptional, detailed Work Plan. The Summary of Costs reflected a fee of 33.3 percent of the first year's total annual expected compensation.

Civic Solutions (formerly Bennett Yarger) also demonstrated excellent experience in providing executive search services for higher-level positions in the transit industry. Staff had good transit experience and the Work Plan proposed two project managers to decrease the time it would take to conduct the search. The excellent Work Plan delineated a timeline for search activities. The Summary of Costs reflected a sliding fee scale based on annual salary.

GTA had extensive transit experience, having provided executive search services for many major transit systems in the country. Proposed staff possessed excellent experience placing executives in high-level positions of the transit industry. GTA also proposed to provide two project managers to decrease the time it would take to conduct a search. The excellent Work Plan provided timelines for the search. GTA provided a focus on diversity in its search efforts. The Summary of Costs reflected a fee of 33.3 percent of the first year's annual earnings; however, GTA also proposed to have a minimum fee of \$50,000 for any search.

Negotiations

The total not-to-exceed amount recommended for approval for Services is \$300,000 and is to be allocated by the Authority on an as-needed basis through task specific work orders. The agreements will be for a three-year period with the option to extend the term of the agreements up to an additional two years at the sole discretion of the Authority.

RESOLUTION

WHEREAS, Port Authority of Allegheny County (Authority) requires a pool of firms to support the Authority's human resources functions by performing Executive Search Services, on an as-needed basis, for up to a five-year period (Services); and

WHEREAS, in order to obtain qualified firms to perform Services, a Request for Qualifications (RFQ) detailing the required scope of services was prepared and publicly advertised; and

WHEREAS, a total of 17 proposals were received on February 16, 2010, five of which were deemed to be responsive to the RFQ and subsequently were reviewed by the Authority's Evaluation Committee; and

WHEREAS, the proposals submitted by Krauthamer & Associates, Inc. (Krauthamer); New Economy Dynamics, LLC d/b/a Civic Solutions (Civic Solutions); and Gilbert Tweed Associates, Inc. (GTA) have been determined to be the highest rated proposals for the performance of Services; and

WHEREAS, agreements for Services in the total not-to-exceed amount of \$300,000, which would be allocated on an as-needed basis through task specific work orders, is recommended for approval.

NOW, THEREFORE, BE IT RESOLVED that the chief executive officer and/or assistant general manager Human Resources be, and they hereby are, authorized to enter into an agreement with Krauthamer; Civic Solutions; and GTA, in a form approved by counsel, to provide Services up to a total not-to-exceed amount of \$300,000, to be allocated on an as-needed basis through task specific work orders, for an initial three-year period with the option to extend the term of the agreement up to an additional two years at the sole discretion of the Authority, and also, to take all such other actions necessary and proper to carry out the purpose and intent of this resolution.