



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. _____

FROM: City Administrator

SUBJECT: Release of a Request for Proposal (RFP) for Citywide Classification and Compensation Study

MEETING DATE: July 18, 2017

RECOMMENDATION:

1. Approve the release of the Classification and Compensation Study Request for Proposal (RFP);
2. Authorize staff to advertise for proposals and designate September 14, 2017, as the due date for proposals; and
3. Direct staff to return to the City Council with a recommendation to award an agreement following review of the proposals received.

BACKGROUND & ANALYSIS:

The last classification and compensation study has been conducted in 2008. Since 2008, there were studies done for specific positions in several departments and comprehensive evaluation of Parks and Recreation Department positions and compensation respectively. Over time, changes in City operation and staffing can affect the type, scope and level of work being performed resulting in internal equity (the relationship of positions to each other within an organization) and external equity (the relationship of positions to the external labor market) issues. As an industry standard, it is recommended that personnel classification and compensation levels be reviewed every seven years to update job specifications and adjust compensation levels commensurate with assigned duties and relevant job markets.

The purpose of the Classification & Compensation Study is to address changes in City operation and staffing over the last several years. The objective is to have a credible Classification & Compensation Plan that recognizes these changes; ensures positions similar work with essentially the same level of complexity, responsibility and knowledge, skills and abilities are classified together; provides salaries commensurate with assigned duties; clearly outlines promotional opportunities and provides recognizable compensation growth; provides justifiable pay differential between individual classes; and maintain currency with relevant labor markets. Lastly, the RFP asks consulting firms to provide, as

an option, a cost for evaluating part-time classification as part of the study. Depending on the cost, the City can decide whether to include this option in the contract with the consultant.

The City will need to issue a Request for Proposal (RFP) from interested and qualified companies specializing in the classification and compensation study. In addition, citywide compensation and classification study qualifications include, but are not limited to: demonstrated appropriate experience in conducting successful classification and compensation studies, understanding City's goals and qualifications of key personnel as well as reputation/references from past clients and reasonable cost proposal submitted.

If the release of the RFP is approved, City staff will return to the City Council with a recommendation to award after reviewing the proposals.

ALTERNATIVES:

1. Approve staff recommendation
2. Provide staff with further direction

FISCAL IMPACT:

There is no fiscal impact associated to the City by authorizing to solicit the RFP. Once proposals are received and reviewed by staff, an agenda report will be provided to the City Council indicating the cost. Finance Director indicated that estimated funds will be set-aside for the Classification & Compensation Study. If necessary, additional expenditures for this project will be requested at midyear.

Prepared by: Lena Shumway, Director of Administrative Services and City Clerk
Approved as to form: Eduardo Olivo, City Attorney
Approved: Vilko Domic, Director of Finance
Respectfully submitted: Matthew Rodriguez, Interim City Administrator