



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. _____

FROM: City Administrator

SUBJECT: CITY-WIDE CLASSIFICATION AND COMPENSATION STUDY-
AWARD OF CONTRACT

MEETING DATE: February 20, 2018

RECOMMENDATION:

Staff recommends the City Council award a contract to CPS-HR Consulting to complete a comprehensive City-wide classification and compensation study of all full-time and part-time position classifications, in an amount not-to-exceed \$ 60,397.50.

BACKGROUND:

The City of Commerce has approximately 153 authorized full-time positions and 396 part-time positions for FY 17-18. The last classification and compensation study was conducted in 2008.

The purpose of a City-wide classification & compensation study is to address changes in City operation and staffing over the last several years, which may have affected the type, scope and level of work being performed. The overall objective is to have a credible study that recognizes these changes.

ANALYSIS:

On July 18, 2017, the City Council approved the release of the City-wide Classification and Compensation Study Request for Proposal (RFP) and authorized staff to issue the RFP and designated September 14, 2017, as the due date for proposals.

The RFP asked 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.

In addition, the qualifications for this City-wide compensation and classification study includes but is 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.

On October 17, 2017, the City Council received a staff report on the following two companies that submitted a proposal:

1. Segal Waters Consulting
2. CPS HR Consulting

The council moved to receive and file the report.

On December 9, 2017, the City placed the RFP on the City's website. Three firms responded to the RFP by the January 19, 2018 submittal deadline. The following are the proposals received:

CONSULTING FIRM	BID AMOUNT	BID AMOUNT (FT Only)
Koff & Associates	\$190,890	\$119,475
Segal Waters Consulting	\$125,000	\$100,000
CPS-HR Consulting	\$60,397.50	\$47,217.50

A panel of four staff members (former Interim Human Resources Director, Interim Human Resources Director, Director of Parks and Recreation and the Director of Library Services) rated the proposals. All three firms are well qualified and submitted comprehensive proposals and conformed with the RFP scope of services. Based on quality, experience and cost, staff is recommending the City consider working with CPS-HR Consulting to conduct the City-wide Classification and Compensation Study. They are the most affordable option and have a wide range of experience in this type of work. The estimated timeline for completion of this project is 26 weeks.

ALTERNATIVES:

1. Approve the selection of CPS-HR Consulting to conduct the City-wide classification and compensation study; and
2. Authorize the Mayor to sign the Professional Services Agreement in an amount of \$60,397.50; or
3. Provide staff with further direction.

FISCAL IMPACT:

If the City Council approves staff's recommendation, an appropriation from the General Fund unappropriated fund balance in the amount not-to-exceed \$60,397.50 must be made to fund the proposed comprehensive classification and compensation study.

RELATIONSHIP TO STRATEGIC GOALS:

This item is related to a specific 2016 Strategic goal as follows:

Strategic Focus Area: City Organization - "The City of Commerce is an organization and workplace that encourages innovation, attracts and retains employees through a supportive working environment with competitive salary and benefits. The City will maintain

a knowledgeable, skilled and empowered workforce that is committed to providing outstanding service to its residents, businesses, and visitors.”

ATTACHMENTS:

1. City Resolution
2. CPS-HR Proposal
3. Consultant Agreement
4. Classification & Compensation RFP

Prepared by: Fernando Mendoza, Interim Director of Human Resources

Approved as to form: Noel Tapia, City Attorney

Approved: Vilko Domic, Director of Finance

Respectfully Submitted: Edgar Cisneros, City Administrator