

Agenda Report



MEETING DATE: Tuesday, March 19, 2024

TO: City Council

FROM: DEPUTY CITY MANAGER MANNING

THROUGH: CITY MANAGER MENDEZ

SUBJECT: CONTRACT FOR CONSULTANT SERVICES BETWEEN THE CITY OF WATSONVILLE AND RALPH ANDERSEN & ASSOCIATES

RECOMMENDED ACTION:

It is recommended that the City Council approve consulting services from Ralph Andersen & Associates for a city-wide classification and compensation study. The contract is a fixed amount of \$95,800, but we are asking for authority for up to \$120,000 to ensure we have adequate contract funds for incidental expenses such as on-site meetings or other unanticipated services beyond the scope.

BACKGROUND:

The City of Watsonville recognizes the need to maintain competitive wages and retain/recruit talented staff. The City has updated job descriptions and classifications on an as-needed basis throughout the years, but the City has not undertaken a comprehensive, city-wide classification study. It is the desire of the City to look at all positions in the city and update job descriptions as necessary as well as ensure that employees are appropriately classified.

There is a demonstrated need to evaluate all job classifications as they relate to job duties, physical requirements, minimum qualifications, etc. Many job descriptions and classifications are no longer current with changing technologies, evolved and expanded scopes of duties, etc. The study will evaluate all employee classifications and update job descriptions to best reflect current duties, required skill sets and minimum qualifications, etc. This will benefit current employees as well as assist in future recruitments to ensure that we are advertising accurate job descriptions and duties and attracting appropriately qualified candidates.

The City has also adjusted salaries on an as-needed basis aside from MOU adjustments. In addition, a total compensation study was conducted by Bryce Consulting in 2018 and market adjustment recommendations were implemented in 2019

and 2020 through the collective bargaining process. It has now been six years since the study was conducted and it is necessary to update the information to inform the City and bargaining units in upcoming contract negotiations.

DISCUSSION:

On December 7, 2023, a Request for Proposals (RFP) was posted for a city-wide classification and compensation study and proposals were due January 12, 2024. Proposals were received from the following firms:

- Ewing Human Resources Services
- MGT Consulting Group
- Public Sector Personnel Consultants
- Ralph Andersen & Associates
- Reflect Excellence

A subcommittee that consisted of the Deputy City Manager, Finance Director and HR Analyst reviewed all proposals received and rated the top three firms to interview. Rating criteria considered included: cost, time of completion, ability to meet City needs, relevant experience and compatibility. The top three firms interviewed were Ewing Human Resources Services, Public Sector Personnel Consultants and Ralph Andersen & Associates. The subcommittee checked references for all three firms by reaching out to representatives of cities whom they recently provided similar services to. Based on all of the factors, the subcommittee proposes to move forward with Ralph Andersen & Associates to best meet the needs of the City.

Ralph Andersen & Associates is a long-standing firm with over 51 years of experience in local government. They have extensive experience in California with cities and public agencies. The scope of work includes conducting kick-off meetings with employees and bargaining representatives, overseeing and reviewing job analysis questionnaires and interviews, preparing class specifications, recommendations, and corresponding job descriptions, and engaging employees and labor representatives as appropriate. The project will also include developing an appropriate labor market, collecting current compensation data, analyzing internal pay relationships, and making appropriate recommendations based on the data compiled. Ralph Andersen & Associates will also work with the City to provide support and recommendations for potential implementation of the study.

The City of Watsonville will benefit from consulting services offered by Ralph Andersen & Associates and recommends that the City Council approve the contract for services.

TIMELINE:

It is expected that the study should be completed no later than the end of 2024. Throughout this city-wide compensation and classification study, the City and consultant will engage bargaining units, the City Council and employees in the process.

STRATEGIC PLAN:

This item will support strategic plan item:
7-Efficient and High Performing Government

FINANCIAL IMPACT:

The firm has successfully completed 80 classification and compensation studies virtually. Therefore, the firm has proposed a cost of \$95,800 for a virtual city-wide compensation and classification study. This cost is competitive relative to the other proposals received. If any on-site meetings are required an additional cost of \$2,500 per day will be billed which includes professional fees and expenses. Furthermore, if additional services are requested by the City outside of the scope, services will be billed on an hourly basis per the proposal. The cost of the study will be paid for by all of our funds based on a per-employee fund allocation as outlined below:

General Fund	150-280-7361	70,802.00
Library Fund	250-620-7361	6,526.00
Airport	730-560-7361	2,933.00
Sewer Fund	710-530-7361	15,617.00
Water Fund	720-596-7361	10,851.00
Solid Waste	740-570-7361	13,271.00
	Total	120,000.00

ALTERNATIVE ACTION:

The City Council may elect not to approve this contract.

ATTACHMENTS AND/OR REFERENCES (If any):

None.