

City of Culver City, California
Agenda Item Report

Meeting Date: 10/28/13		Item Number: C-2	
CITY COUNCIL AGENDA ITEM: Approval of a Professional Services Agreement with Public Sector Personnel Consultants in an Amount Not-to-exceed \$29,000 to Conduct a Compensation Study for Non-Safety Employees as Required by the Culver City Municipal Code and the Civil Service Rules			
Contact Person/Dept.: Serena Wright		Phone Number: (310) 253-5640	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☐ Attachments: ☐	
Public Notification: (E-Mail) Agenda and Meetings – City Council (10/22/13); Culver City Management Group (10/22/13); Culver City Culver City Employees' Association (10/22/13)			
Department Approval: Serena Wright (10/22/13)		City Attorney Approval: Carol Schwab (by H. Baker) (10/21/13)	
Chief Financial Officer Approval: Jeff Muir (10/22/13)		City Manager Approval: John M. Nachbar (10/22/13)	
<u>RECOMMENDATION:</u> Staff recommends that the City Council approve a professional services agreement with Public Sector Personnel Consultants in an amount not-to-exceed \$29,000 to conduct a compensation study for non-safety employees as required by the Culver City Municipal Code (CCMC) and Civil Service Rules. <u>BACKGROUND:</u> In accordance with CCMC §3.03.020.E and Civil Service Rule 2.8(e), the City shall conduct a “study of salaries being paid by other public and private agencies, in order to ascertain whether the salaries being paid City employees for similar work are comparable, fair and reasonable...” During the FY 2013/2014 budget process, the City Council allocated \$25,000 to the Human Resources Department budget for the purpose of conducting a compensation study for non-safety employees. <u>DISCUSSION:</u> <i>Survey History</i> The purpose of a periodic compensation survey is to ensure that Culver City has competitive salary and benefits to attract and retain a competent workforce.			

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Compensation surveys are used to determine external competitiveness (ensuring that our positions are aligned with the labor market) and internal equity (alignment within internal job families).

The last salary study was conducted in 2005. Parity was assumed for positions that were +/-5% of the market average. Prior to 2005, there was a study conducted in 1997 and another in 1990. These studies have been solely focused on non-safety classifications as our safety employees salary structures are mandated by the Salary Initiative Ordinance which was enacted by the voters in the 1950's.

The 2005 survey reviewed 103 benchmark classifications and compared three elements of compensation (base salary, City-paid PERS, and deferred compensation) with the City's established 13-city labor market.

Proposals Submitted

CCMC §3.07.085.A does not require a formal competitive bid process for professional services. City staff solicited informal proposals from three leading experts in the field of public sector compensation. Each company comes highly recommended, and the scope of services includes: stakeholder meetings, data collection and analysis from public and private sector organizations, recommended salary range structures, and implementation assistance.

	Consultant	Proposal Cost	Project Timeline
1.	Fox Lawson & Associates	\$25,000 - \$35,000	90 days
2.	Public Sector Personnel Consultants	\$25,000 - \$29,000	75 days
3.	Renne Sloan Holtzman & Sakai	\$65,000 (<i>does not include misc. expenses</i>)	90 – 120 days

Staff Recommendation

Staff reviewed the three proposals submitted and determined that, while all of the consultants provide similar basic services and have excellent references, Public Sector Personnel Consultants' proposal also includes one-year of plan maintenance and a customized database to assist with future compensation administration. Therefore, staff is recommending that City Council approve a professional services agreement with Public Sector Personnel Consultants to conduct a compensation study for non-safety employees. The results will be presented to City Council upon completion.

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FISCAL ANALYSIS:

The City Council Adopted Budget for Fiscal Year 2013/2014 includes \$25,000 in line item 10122100.619800 for this expenditure. Additional costs, if necessary, can be taken from budget line item 10122100.610300 (Personnel Services).

ATTACHMENTS:

None.

MOTION:

That the City Council:

1. Approve a professional services agreement to Public Sector Personnel Consultants in an amount not-to-exceed \$29,000 to conduct a compensation study for non-safety employees as required by the Culver City Municipal Code and Civil Service Rules; and,
2. Authorize the City Attorney to review/prepare the necessary documents; and,
3. Authorize the City Manager to execute such documents on behalf of the City.