



Staff Report

TO: City Council
FROM: Kari Mendoza, Administrative Services Director
DATE April 15, 2025
SUBJECT: Award of Professional Services Agreement to Evergreen Solutions in an Amount Not to Exceed \$182,400 for a Classification and Compensation Study

Description In preparation for negotiations City Council has directed staff to conduct a comprehensive classification and compensation study.

Background and Analysis:

The City is committed to maintaining a fair, equitable, and competitive compensation system that attracts and retains talented employees while being mindful of fiscal responsibility. As part of the City's ongoing efforts to ensure a sustainable workforce and promote transparency in compensation practices, a full classification and compensation study was authorized by City Council as agreed to in the current memoranda of understanding.

The last comprehensive classification and compensation study was conducted in 2017 by Ralph Anderson and Associates. Since then, changes in the labor market, adjustments to the City's organizational structure, and evolving operational needs necessitate a re-evaluation of the City's compensation practices.

On December 6, 2024, the Request for Proposal (RFP) for a Classification and Compensation Study, including an organizational review, was published online utilizing the City's website as well as internet sites called Planet Bids and Public Purchase. These websites are the largest and most complete databases of government bid opportunities in the nation. As such, this RFP received the attention of many competitive bidders.

By February 07, 2025, staff received nine (9) bid proposals. A staff committee involving representatives from each bargaining group - General Unit Employees (SEIU), Managers/Professional/Technical (MPT), and Police Officer Association (POA) was formed to evaluate all nine proposals. Of the nine proposals, the committee individually evaluated the firms and based on a grading score, decided to schedule an interview with three of the nine. Due diligence was completed, and all references returned

positive. City staff scored the interviews based on their sealed proposals and their presentations.

The three (3) bids are summarized as follows:

1. Ewing Consulting, Inc.

Proposal Score: Average 62 out of 100

Bid: \$42,800 – Class & Comp Only

2. Gallagher (Koff and Associates)

Proposal Score: Average 90 out of 100

Bid: \$275,000.00

3. Evergreen Solutions

Proposal Score: Average 91 out of 100

Bid: \$152,000.00

Due to the scores, varying timelines and pricing differences, staff recommends approval of a contract with Evergreen Solutions with a 20% contingency due to the complexity of the project and anticipated FY2026 personnel changes.

Fiscal Impact:

The fiscal impact for the project shall not exceed \$182,400. \$100,000 has been budgeted in FY2025 with the remaining balance of \$82,400 proposed in FY2026 allocated to GL 100-1240-7068-0000.

Recommended Action:

Authorize the Mayor to sign a Professional Services Agreement with Evergreen Solutions in the amount of \$152,000 for a term of one year; and
Authorize the City Manager to approve any contingency up to an amount of \$30,400 (20%) for change orders, for a not to exceed amount of \$182,400.

Attachments:

- A. Evergreen Solutions Proposal
- B. Professional Services Contract