TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER       DEPARTMENT: CITY MANAGER’S OFFICE

DATE: AUGUST 9, 2004       CMR:379:04

SUBJECT: APPROVAL OF CONTRACT WITH CPS HUMAN RESOURCE SERVICES IN THE AMOUNT OF $10,000 PER YEAR FOR FACILITATION SERVICES RELATED TO EVALUATION OF COUNCIL APPOINTED OFFICERS

RECOMMENDATION

1. Approve and authorize the Mayor to execute the contract with CPS Human Resource Services in the amount of $10,000 for the first year, for the facilitation services related to evaluation of Council Appointed Officers specified in the Scope of Services attached to the contract.

2. Authorize the City Manager or designee to exercise the option to renew the contract for up to two additional one year terms, in the amount of $10,000 per year (up to $30,000 over a three-year period), provided the firm is responsive to the City’s needs and the quality of the firm’s work is acceptable during the first year of the contract (and/or other conditions which will determine the City’s willingness to renew the contract). Funding for years two and three is contingent upon Council approval of the budget for the subsequent year.

3. Authorize the City Manager or designee to authorize additional services, in an amount not to exceed $1,500 annually, upon approval by the CAO/Council Committee (up to $4,500 over a three-year period).

BACKGROUND

On June 7, 2004, staff issued a Request for Proposals for a facilitator for the Council Appointed Officers (CAOs) evaluation and compensation process. Proposals were required to be received by June 18, 2004. The relatively short response time was due to a desire on the part of the Council/CAO Committee to accelerate the process in order to provide evaluations for the Council Appointed Officers as soon as possible; and due to
the confidence that there would be an adequate response level given the nature of the proposal and the limited number of firms that would be qualified to respond.

On June 18, four proposals were received. The proposals were from CPS Human Resources Services (John Shannon); Ralph Anderson and Associates; Taylor Nelson; and the Quinn Company (Susan Quinn). On June 25, the Council/CAO committee met to screen the responses to the Request for Proposals. The committee also reviewed sample interview questions. The committee chose to recommend to the Council that CPS Human Resources Services and the Quinn Company be selected for interviews by the full Council. The Council approved that recommendation on July 12, 2004.

On July 19, 2004 the City Council conducted interviews, and after discussion directed staff to negotiate a contract with CPS Human Resources Services for facilitation services in completing the annual performance evaluation and compensation determination for Council Appointed Officers. The contract dollar amount was not to exceed $10,000 per year.

DISCUSSION
Attachment A is the contract with CPS Human Resources Services. Included is a proposed work plan and process. The consultant is estimating 57 hours of time to complete the process. The Council/CAO committee will meet during the latter part of August, prior to the end of the Council vacation, in order to finalize this work plan/schedule and to review proposed evaluation forms for each CAO position including proposed criteria for evaluation. This meeting will be open to the public, and notice will be provided.

RESOURCE IMPACT
Funds for the first year of the contract will come from the City Manager's contingency. In future years, this expense will be budgeted in the City Council budget.

POLICY IMPLICATIONS
This recommendation is consistent with prior Council action.

PREPARED BY
Emily Harrison, Assistant City Manager

CITY MANAGER APPROVAL
Frank Benest, City Manager
ATTACHMENTS
A - Contract Between the City of Palo Alto and CPS Human Resource Services for Consulting Services

B - CMR:345:04 – Recommendation of the Council/Council Appointed Officers (CAO) Committee Regarding Interviews for a Consultant to Facilitate CAO Evaluations

C – Certification of Nondiscrimination from CPS Executive Search – John Shannon