



AGENDA REPORT

Human Resources

DATE:	May 7, 2024
TO:	Mayor Martinez and Members of the City Council
FROM:	Nickie Mastay, Deputy City Manager, Internal Services Sharrone Taylor, Director of Human Resources
Subject:	Raftelis Contract Amendment #2 to Increase the Contract Limit and Appropriate Funding as Required
FINANCIAL IMPACT:	The proposed amendment of up to \$20,000 will extend the contract amount not-to-exceed \$220,0000, (Professional Services 01181016-400201)
PREVIOUS COUNCIL ACTION:	May 23, 2023
STATEMENT OF THE ISSUE:	City Council approval is required to increase the Raftelis Financial Consultants Inc. contract amount and appropriate funding.
RECOMMENDED ACTION:	APPROVE a second contract amendment with Raftelis Financial Consultants, Inc. to increase the contract limit up to \$20,000, for an amount not to exceed \$220,000; and APPROPRIATE funding as required – Human Resources Department (Nickie Mastay 510-620-6609/Sharrone Taylor 510-620-6602).

DISCUSSION:

The City of Richmond received a notification from the State Auditor on April 4, 2022, regarding an audit they would conduct. The Joint Legislative Audit Committee approved the audit on June 30, 2021. The audit was initiated in May 2022 and was completed and

published on November 10, 2022, with the State Auditor formalizing eleven (11) recommendations to the City. Recommendation number 6 stated:

To mitigate the costs of increasing salaries, the City should perform a workforce analysis by June 2024. Based on the results of the analysis, the City Council should consider eliminating vacant positions that it deems no longer necessary. Additionally, the City should assess its need for each vacant position before it seeks to fill the positions and eliminate any positions that it does not need.

To comply with the recommendation, City staff members issued a Request for Proposals (RFP) in February 2023, seeking qualified professionals to conduct a comprehensive workforce analysis, including succession planning and recommendations for vacant positions. Raftelis Financial Consultants were selected for the task, and the analysis is expected to be presented to the City Council and submitted to the State by June 2024.

City staff members are amending the scope of work to include presentations, which were not included in the original scope of work, and requesting an increase to the contract limit. The proposed amendment will increase the contract for up to \$20,000 to a new not-to-exceed contract limit of \$220,000. This will enable the contractor to deliver high-quality presentations as required by the City Council, ensuring that they have all the information they need to make informed decisions. Additionally, it should be noted that the contract term has already been extended administratively to September 30, 2024, providing ample time for the contractor to complete the requested work.

RECOMMENDATION:

City staff requests approval of a second contract amendment with Raftelis for up to \$20,000 for a new not-to-exceed amount of \$220,000 (current term June 1, 2023-September 30, 2024) and appropriate funding as required.

DOCUMENTS ATTACHED:

- Attachment 1 – May 24, 2023 Raftelis Agenda Report
- Attachment 2 – Raftelis Contract Fully Executed
- Attachment 3 – Raftelis Contract Amendment 1
- Attachment 4 – Raftelis Contract Amendment 2