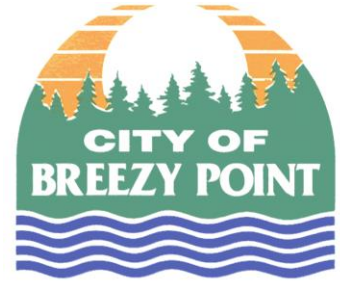


TO: Mayor and City Council  
FROM: David Chanski, City Administrator  
RE: Organizational Assessment Proposals  
DATE: October 2, 2023

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### **Background**

During budget discussions in August, the City Council expressed the desire to have an organizational assessment conducted, ideally by the end of the year. Conducting an organizational assessment should provide the City the information it needs to adequately plan for future staffing and other organizational needs as the city continues to grow and service provision changes. Following this discussion, staff published a Request for Proposals (RFP) for an organizational assessment (RFP is attached). The scope of services as listed in the RFP was for an organizational assessment to identify the City's immediate and future human capital needs including but not limited to:

- Analysis of current staffing levels
- Analysis of current service provisions
- Analysis of future projects' impact on staffing levels and service provisions
- Recommendations for immediate and future staffing needs
- Recommendations for reorganization
- Recommendations for service delivery improvements

### **Proposals**

The deadline for consultants to submit proposals was September 15, and the City received proposals from 7 consulting firms (proposals are attached). These firms were (in order of receipt):

- Resource Management Associates
- Public Knowledge
- GovHR USA
- Abdo
- Octagon Consulting, LLC
- Erickson Northstar, LLC
- Flaherty & Hood, P.A.

Each proposal addresses the scope of services in various ways, and the proposed fees for service range between \$9,250 and \$29,335 with some firms proposing additional services for an additional fee. Staff's estimate for how much an organizational assessment might cost prior to issuing the RFP was around \$20,000. So, these proposals are in line with expectations.

### **Staff Recommendation**

Having reviewed each proposal thoroughly, staff is recommending that the City Council select Resource Management Associates (RMA) to conduct an organizational assessment on the City. Elements in the proposal that stood out to staff that put RMA at the head of the pack include:

- Thorough understanding of the City's objectives, size, and ongoing projects.
  - o No other consultant appeared to conduct the level of background research prior to submitting a proposal that RMA did.
- Intent to conduct interviews with all staff members and all council members as well as other outside parties such as the City Engineer, auditor, Pequot Lakes Fire District.
  - o Only one other consultant specifically identified City Council involvement, and no other consultant identified interviewing all employees or outside parties.
- Intent to be on-site for an entire work week from Monday, October 16 through Friday, October 20.
  - o No other consultant identified the exact amount of time (if any) that would be spent in-person. By being on-site the week of October 16, RMA would have the additional benefit of observing the city council workshop that is currently scheduled to take place on October 17.
- Description of overall project approach was thorough and descriptive.
  - o No other consultant seemed to be as descriptive and thorough in their approach as RMA.
- A fixed, all-inclusive fee for service.
  - o While other proposals identified a fixed or not-to-exceed fee for service, most other proposals identified important services that would come at an additional fee.

Staff also recommends that the cost of assessment be paid out of the capital fund. While an organizational assessment was not included in the 2023 budget, Capital Fund revenue was budgeted to exceed expenditures by just over \$200,000 in 2023. However, City Administrator Chanski now anticipates that revenues will likely exceed expenditures by over \$300,000. This is due to a combination of revenues being higher than anticipated and expenditures being lower than anticipated. So, conducting this assessment will still result in a positive net position in the Capital Fund in 2023.

### **Council Action**

Staff recommends that the City Council select the proposal from Resource Management Associates to conduct an organizational assessment on the City of Breezy Point.