

**SUBMITTED BY:** Rocio Garcia-Pedroza, HR Manager

**MANAGEMENT TEAM REVIEW:** Ana Urquijo, City Manager

**FOCUS AREA:** Other / NA

**ORGANIZATIONAL  
IMPROVEMENTS:**

**SUBJECT:** **CONTRACT RENEWAL with EDUCATIONAL SERVICES, INC. (ESI)**

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**EXECUTIVE SUMMARY:**

The current City contract with Educational Services, Inc (ESI) ends June 30, 2023, but may be renewed annually upon mutual agreement of the parties.

**BACKGROUND:**

The City of Douglas has had an employee staffing agreement since 2009, initially with Smartworkplus. The staffing agreement provides a “phased retirement” program where retirees are hired through ESI and placed back into their positions with the City. The benefit to the City is the immediate savings due to a usual lower hiring salary, while still being able to utilize the retiree’s expertise.

For procurement purposes, ESI has an agreement with Mohave Educational Services Cooperative Contract No. 21N-ESI3-0318, which allows the City of Douglas to piggyback with this cooperative for services with ESI. This agreement expires March 18, 2027.

The City currently has one retiree under this program.

**DISCUSSION:**

Staff recommend approval of the renewal amendment with Educational Services, Inc. and allowing the City Manager to sign future annual extensions to the contract after ensuring procurement requirements are met.

**FISCAL IMPACT:**

5% administrative fee of ESI worker cost (salary and employee related expenses); agreement shows 17%, which is broken down as 5% for administrative fee and 12% for employee related expenses.

**“...I MOVE THAT THE MAYOR AND COUNCIL APPROVE THE CONTRACT RENEWAL WITH EDUCATIONAL SERVICES, INC. (ESI).”**