

# City Council Meeting

## Agenda Item

### Data Sheet

Meeting Date: March 16, 2026

**Topic:**

Approve an agreement with McGrath Human Resources Group for a city-wide Compensation and Benefits Study, for a not-to-exceed amount of \$45,200 (RFP 2026-03), approve the expenditure of funds therefor, and authorize the City Manager to execute the agreement. This expenditure is included in the fiscal year 2025-2026 budget.

**Background:**

The Human Resources Department initiated a Comprehensive Compensation and Benefits Study to evaluate the City’s current compensation structure and benefits offerings. The purpose of the study is to benchmark positions against comparable public sector employers, assess internal equity, and ensure the City’s pay and benefits programs remain competitive, sustainable, and aligned with organizational needs.

Staff developed a scope of work to ensure that all objectives and priorities would be addressed from submitting proposers. In order to obtain the most favorable pricing and desired level of service, staff sought Requests for Proposals. Staff received nine (9) sealed proposals from qualified firms. Scoring was completed by a committee to determine the most qualified firm to complete the work.

Following scoring, interviews were conducted with the top four scoring firms. Following all aspects of the procurement process, McGrath Human Resources Group was selected as the most highly qualified respondent. The selection and discussions were held in accordance with the City’s adopted Procurement Policy and Manual and state procurement law. Funds for completing the proposed project were allocated in the Fiscal Year 2025-2026 budget.

The selected consultant will conduct a thorough market analysis, review existing classifications and salary structures, and evaluate current benefit programs. Based on these findings, the consultant will provide data-driven recommendations and a phased implementation strategy designed to bring salaries and benefits to appropriate market levels using fiscally responsible and innovative solutions.

**Origination:**

**Recommendation:**

Staff recommends approving an agreement with McGrath Human Resources Group for a not-to-exceed amount \$45,200.

**Party(ies) responsible for placing this item on agenda:** Kristie Lewis, HR Director

**FUNDING (IF APPLICABLE)**

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: \_\_\_\_\_ No: \_\_\_\_\_

If yes, specify Account Number: #100-115-6304

If no, funds will be transferred from account # \_\_\_\_\_ To account # \_\_\_\_\_

Signed \_\_\_\_\_ Approved by \_\_\_\_\_  
Staff Member Date City Manager Date