

CITY OF SANTA ROSA  
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL

FROM: GLORIA HURTADO, DEPUTY CITY MANAGER, INTERIM  
HUMAN RESOURCES DIRECTOR

SUBJECT: APPROVAL OF SECOND AMENDMENT TO PROFESSIONAL  
SERVICES AGREEMENT F001596 WITH MUNICIPAL  
RESOURCE GROUP, LLC

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RECOMMENDATION

It is recommended by the Human Resources Department that the Council, by resolution, approve Amendment No. 2 to the Professional Services Agreement F001596 with Municipal Resource Group, LLC to extend the agreement for two months to September 14, 2018 and add additional funding in the amount of \$70,700 for a total Agreement amount not to exceed \$156,700.

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EXECUTIVE SUMMARY

In order to provide Human Resources advisory services while the Human Resources Director is on extended leave, the Human Resources Department recommends that the Council consider amending the Professional Services Agreement F001596 with Municipal Resource Group, LLC to extend the agreement for two months to September 14, 2018 and add additional funding in the amount of \$70,700 for a total Agreement amount not to exceed \$156,700.

BACKGROUND

On December 15, 2017, the City entered into a Professional Services Agreement with Municipal Resource Group, LLC to perform a Human Resources Assessment and recommend best and emerging practices.

On May 31, 2018, the City approved an Amendment No. 1 to the Professional Services Agreement F001596 with Municipal Resource Group, LLC to extend the agreement for one month to June 30, 2018 and add additional funding in the amount of \$46,000 for a total Agreement amount not to exceed \$86,000.

APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT  
WITH MUNICIPAL RESOURCE GROUP, LLC

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PRIOR CITY COUNCIL REVIEW

None

ANALYSIS

The City negotiated a Professional Services Agreement with Municipal Resource Group, LLC (MRG) to perform a Human Resources Assessment and recommend best and emerging practices on December 15, 2017.

While the Human Resources Director is on extended leave, MRG is assisting with the implementation of recommendations associated with the Human Resources Assessment to improve the delivery of HR support to the City's departments. Additionally, MRG is providing Human Resources advice and mentoring leadership staff on day-to-day operations.

Given the complexity of issues surrounding modern Human Resources, including but not limited to, organizational development, training, workers' compensation, leave management, risk and liability, and labor and employment matters, the Human Resources Department recommends continuing to retain MRG's services, during the Human Resources Director's continual leave.

The City anticipates that the continuation of services under the existing agreement is necessary until September 14, 2018 in order to attend to Human Resources related services and therefore, seeks to increase the amount by \$70,700 for a revised not-to-exceed amount of \$156,700.

The original Agreement as amended provided for an amount not to exceed \$86,000. The addition of \$70,700 brings the not-to-exceed amount to \$156,700. Professional Services are included in the Human Resources Fiscal Year 2018-2019 budget.

FISCAL IMPACT

The total cost of this resolution for the current fiscal year is \$70,700; Approval of this expenditure does not have a fiscal impact on the Fiscal Year 2018 – 2019 budget.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

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BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment A – Amendment No. 2 to Professional Services Agreement
- Resolution/Exhibit A

CONTACT

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