



Legislation Text

File #: 23-220, **Version:** 1

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SUBJECT: Approval of Agreement and First Amendment for Labor Costing Software Provided by GovInvest for an Additional Two Years Totaling \$70,000 Over Four Years

REPORT IN BRIEF

Considers the approval of the Original Agreement and First Amendment to Agreement with GovInvest to provide labor costing software for an additional two years totaling \$70,000 over four years.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving the Original Agreement and First Amendment to Agreement with GovInvest for Labor Costing Software; and,
- B. Authorizing the City Manager or Deputy City Manager to execute all necessary documents.

ALTERNATIVES

1. Adopt the motion as recommended by staff; or
2. Modify the action (specify in motion); or
3. Deny the action.

AUTHORITY

Section 3.04.110 of the Merced Municipal Code.

CITY COUNCIL PRIORITIES

As provided for in the 2023-24 Council Goals & Priorities to evaluate potential compensation options for employee retention.

DISCUSSION

During the labor negotiation process, the payroll supervisor receives various requests to run different scenarios and determine their impact on City personnel costs. Some of these requests include salary increases, add pay inclusions, positional changes and more. The City currently has six different bargaining units.

The City's current budgeting software for personnel costs does not allow enough flexibility to run these scenarios for each bargaining unit in a timely and efficient manner. Being able to process these requests quickly and accurately provides the City with the necessary information to make sound decisions during labor negotiations.

In March 2021, the City entered into an agreement with GovInvest for use of their labor negotiation software. The initial agreement was \$33,000 for two (2) years and allowed for the completion of labor agreements until end of the 23/24 fiscal year. With the current labor contracts expiring for all six bargaining units and the initial agreement with GovInvest ending in March 2023, it is requested that we extend the current agreement for an additional two (2) years.

GovInvest was founded in 2014 and is based out of West Hollywood, California. They provide cloud-based software and consultation to public agencies to analyze the impacts of pension, OPEB and workforce costs. They currently serve over 1,000 public sector agencies nationwide.

The original cost of services per the proposed fee schedule was \$33,000 for two (2) years. Since the total amount was under the contract threshold the City Manager approved and it was presented to the City Council for information only. The amendment will provide for an additional two (2) year agreement with a cost of \$37,000. Since the Amendment will put the agreement over threshold the City Council is being requested to approve the Original and First amendment totaling \$70,000. Payments for the original agreement have already been completed and payments for the Amendment will be made in fiscal years 22/23 and 23/24.

IMPACT ON CITY RESOURCES

The cost of the services is split 50/50 between Finance and Personnel. There is sufficient funding within the fiscal year 2022-23 budget to cover the cost of the agreement for the remainder of the current fiscal year. Future year funding would be included as part of the annual budget process.

ATTACHMENTS

1. First Amendment to Agreement
2. Merger Notification
3. Original Agreement