



Office of the City Manager

CONSENT CALENDAR
September 13, 2022

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: LaTanya Bellow, Deputy City Manager

Subject: Contract: Municipal Resource Group for Addressing Impacts Resulting from Great Resignation

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract, with any amendments, with Municipal Resource Group (MRG) for professional services needed to respond to the impacts within the City as a result of the Great Resignation¹. Total contract direct costs will not exceed \$87,675.

FISCAL IMPACTS OF RECOMMENDATION

The anticipated expenditure for the work provided under this contract is \$87,675, as demonstrated in the table below. Funding for a portion of the work anticipated to be performed under this contract is available in the City Manager's Office FY 2023 budget in the General Fund (Fund 011). The additional funding in the amount of \$67,675 will be recommended for appropriation through the first amendment to the appropriations ordinance in the General Fund (Fund 011).

Deliverable	Cost
Kickoff meeting	\$2,500
Best practices review	\$5,000
Conduct meetings (onsite)	\$40,000
Facilitate strategy session	\$8,000
Develop draft recommendations	\$7,500
Review draft recommendations	\$2,500
Present draft recommendations to Council	\$4,000
Prepare final recommendations	\$1,500
Travel and expenses	\$12,500
5% Contingency	\$4,175

¹ The "Great Resignation" is an ongoing economic trend whereby many employees are voluntarily leaving (i.e., resigning) their places of employment.

Total	\$87,675
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Projected contract costs total \$83,500. Due to potential variability in some of the costs, the not-to-exceed contract cost includes a five percent contingency, resulting in a total recommended not-to-exceed cost of \$87,675.

CURRENT SITUATION AND ITS EFFECTS

The work under this contract would directly support our City’s Strategic Plan goal to attract and retain a talented and diverse City government workforce. The COVID-19 pandemic continues to have myriad impacts on our community and the world—including the phenomenon known as the Great Resignation. The Great Resignation is a term used to describe a recently developed and ongoing trend of employees voluntarily leaving their places of employment. Traditional means of recruiting, retaining, and engaging employees are proving insufficient to address this trend. Jurisdictions around the country, including the City of Berkeley, need to understand this trend and associated changes, identify and tailor methods of recruiting, retaining and engaging employees, and to plan for future workforce development. Employers that are not acknowledging this trend and quickly adapting may be at danger of losing excellent employees and being unable to retain or compete for top talent.

BACKGROUND

On September 4, 2018, the City of Berkeley engaged into a contract with Municipal Resource Group (MRG) for a Human Resources Departmental Assessment. The contract was subsequently extended through June 2021. During the course of assessment, MRG gained knowledge and background and contextual understanding of the City organization and workforce. For the purposes of continuity and consistency, it is in the City’s best interest to utilize MRG for the next phase of Human Resources adaptations and improvements. MRG should be able to quickly build upon its past work in the City and develop recommendations for how to adapt Human Resources methods and practices to best address the Great Resignation.

There is a need for this work to begin immediately. The City organization is already experiencing some impacts from the Great Resignation, as evidenced in high vacancy rates citywide.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

Through remote work and relying heavily on technology, the City will minimize purchase of consumable items, such as paper and toner, and by minimizing travel related to this work, will be able keep the City’s carbon footprint to a minimum.

RATIONALE FOR RECOMMENDATION

Allowing the City Manager to enter into a contract with MRG for addressing impacts resulting from the Great Resignation has numerous advantages:

- Based upon past work references and experience, staff has found MRG to be a good fit for the City organization.
- Having recent experience with the City organization, particularly the Human Resources department, MRG will be able to quickly leverage that knowledge to provide actionable recommendations.
- Actionable recommendations will give the City the ability to pivot and adapt to address the impacts of the Great Resignation and improve recruitment and retention.
- Addressing the impacts of the Great Resignation now will put the City slightly “ahead of the curve” among its peers and other local jurisdictions, increasing its competitiveness as an “employer of choice”.
- Using this trend as an opportunity for long range planning, MRG’s work and recommendations will help the City prepare for future workforce development.

ALTERNATIVE ACTIONS CONSIDERED

The City may choose to pursue no action. A lack of action or postponing action will likely result in continued workforce impacts from the Great Resignation.

CONTACT PERSON

LaTanya Bellow, Deputy City Manager, City Manager’s Office, 510-981-7012

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT: MUNICIPAL RESOURCE GROUP FOR PROFESSIONAL SERVICES TO
RESPOND TO THE IMPACTS OF THE GREAT RESIGNATION

WHEREAS, the City of Berkeley contracted with Municipal Resource Group to conduct a Human Resources department assessment; and

WHEREAS, Municipal Resource Group has recent and relevant experience, knowledge and background with and of the City organization; and

WHEREAS, the City organization is experiencing workforce impacts from the Great Resignation and seeks recommendations for the Human Resources department to best address those impacts; and

WHEREAS, for the purposes of continuity and consistency it is in the best interest of the City to utilize Municipal Resource Group for the next phase of Human Resources department adaptations and improvements.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute a professional services contract, including any amendments, with Municipal Resource Group to respond to the impacts of the Great Resignation, for direct costs of \$87,675, funded by the General Fund.