

**CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
MAY 7, 2013 AGENDA**

Subject:	Type:	Submitted By:
APPROVE LETTER OF UNDERSTANDING FOR COMPENSATION AND CLASSIFICATION STUDY	◆ RESOLUTION ORDINANCE RECEIVE/FILE	RITA RAMIREZ ASSISTANT CITY ADMINISTRATOR

SYNOPSIS

A resolution has been prepared to approve a letter of understanding with The Austin Peters Group, Overland Park, Kansas for a classification and compensation study in an amount not to exceed \$5,220.00.

FISCAL IMPACT

The FY2012/13 General Fund Budget provides funding for the proposed project.

RECOMMENDATION

Approval.

BACKGROUND

Following a classification and compensation study conducted by The Austin Peters Group in 2007-08, the City implemented a Pay-for-Performance (PFP) compensation system in 2009. A Council Policy Statement was adopted outlining the provisions of the PFP program. That statement calls for the City to conduct a market study every three years for all positions covered by the PFP program to ensure market comparability. The City Council has made adjustments to the salary ranges in three of the last four years in an effort to maintain this comparability; however the study is necessary to keep track of what other employers are doing and ensure that our pay ranges stay within comparability. Doing this periodically also prevents the necessity to make large adjustments in salary ranges to "catch up" with the market.

The Austin Peters Group has submitted a proposal to conduct a market study for external equity and to make recommendations per the study outcomes. They did an excellent job on the original study and have all of our original comparison data available to continue this work. The fee for these services is \$5,220.00.

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, NEBRASKA, AUTHORIZING THE EXECUTION OF A LETTER OF UNDERSTANDING WITH THE AUSTIN PETERS GROUP, OVERLAND PARK, KANSAS, FOR A CLASSIFICATION AND COMPENSATION STUDY IN AN AMOUNT NOT TO EXCEED \$5,220.00.

WHEREAS, the City Council authorized a classification and compensation study in 2007-08 conducted by The Austin Peters Group; and

WHEREAS, subsequent to that study the City Council approved and implemented a Pay for Performance (PFP) compensation system based on the results; and

WHEREAS, the Council Policy Statement for Employee Compensation – Pay for Performance calls for the City to conduct a market study every three years for all positions covered by the PFP program to ensure market comparability; and

WHEREAS, Subsection (C) (9) of Section 31.23 of the La Vista Municipal Code requires that the City Administrator secure Council approval prior to authorizing any expenditure over \$5,000.00.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of La Vista, Nebraska, do hereby authorize the execution of a letter of understanding with The Austin Peters Group, Overland Park, Kansas, for a classification and compensation study in an amount not to exceed \$5,220.00.

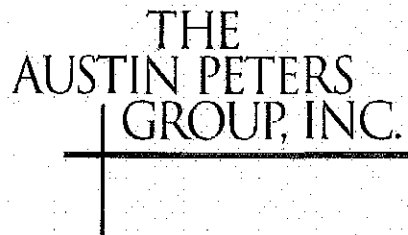
PASSED AND APPROVED THIS 7TH DAY OF MAY, 2013.

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethe, CMC
City Clerk



OVERLAND PARK, KS OFFICE: P.O. Box 27196, Overland Park, KS 66225 Phone: (913) 851-7530 Fax: (913) 851-7529
MANHATTAN, KS OFFICE: 5512 High Meadow Circle, Manhattan, KS 66503 Phone: (785) 537-1690 Fax: (913) 851-7529
www.austinpeters.com

April 8, 2013

Letter of Understanding

LETTER OF UNDERSTANDING FOR THE CITY OF LA VISTA, NEBRASKA MARKET STUDY

This letter shall serve as a letter of agreement between the City of La Vista, Nebraska and The Austin Peters Group, Inc., of Overland Park, Kansas, governing the provision of professional human resource consulting for La Vista.

The Austin Peters Group, Inc., shall provide consulting services pursuant to continuation of the November 29, 2007 proposal for a classification and compensation study.

The Austin Peters Group's costs totals are show below and includes the following breakdown:

Market Study for External Equity:

External data sources may be used in lieu of a full survey. At least 30 positions (if possible) will be surveyed and used as benchmark positions for extrapolating data to groupings or classes of positions. Every effort will be made to have a minimum of eight responses for each position surveyed. We will use the original market survey group with some modifications for positions difficult to fill. We will also complete a questionnaire with all department heads regarding the market.

Scope of Services per request

Market study for external equity	\$4,500.00
Recommendations per study outcomes	\$720.00
Total Project Cost	\$5,220.00

Timeframe to Complete: 12 weeks

The City of La Vista agrees to provide payments in the amount of \$5,220 to be billed in a progressive manner with a deposit and final payment.

La Vista agrees to compensate The Austin Peters Group, Inc., under the terms and conditions as provided herein.

With regard to the services to be performed by The Austin Peters Group, Inc., pursuant to the terms of the agreement, The Austin Peters Group, Inc., shall not be liable to the City of La Vista or to anyone who may claim any right due to his relationship with the City of La Vista for any acts or omissions in the performance of said services on the part of The Austin Peters Group, Inc., or on the part of the agents or employees of The Austin Peters Group, Inc.; except when said acts or omissions of The Austin Peters Group, Inc., are due to their willful misconduct. The City of La Vista shall hold The Austin Peters Group, Inc., free and harmless from any obligations, costs, claims, judgments, attorneys' fees and attachments arising from or growing out of the services rendered to the City of La Vista pursuant to the terms of this agreement or in any way connected with the rendering of said services, except when the same shall arise due to the willful misconduct as determined by a court of competent jurisdiction.

If the terms of this agreement meet with your approval, please indicate the same below by your signature and a return copy (both pages of this section "LETTER OF UNDERSTANDING...") for my files. Returning via fax is acceptable (913-851-7529).

Sincerely,

Becky Crowder

Rebecca Crowder
President

Accepted by: _____
City of La Vista, Nebraska Representative

Date: _____