

CENTRAL BASIN MUNICIPAL WATER DISTRICT

JULY 12, 2006 - Finance/Administration
Hawkins, Apodaca

JULY 24, 2006 - Board Meeting

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Approved by: Art Aguilar

INFORMATION CALENDAR

HUMAN RESOURCES CONSULTANTSUMMARY:

One of the challenges facing the District, as it begins a stand-alone operation, is to manage its operations and support its human capital while limiting increases in costs. With a budgeted full-time employee count of 23, management does not intend to hire a full-time human resources (HR) person. The District's Finance and Budget Department will continue to manage the day-to-day employee communications and benefit administration. However, various issues that require expertise in the area of HR have to be addressed, such as the split between West Basin and Central Basin, hiring new employees, developing HR structure, compliance with laws and regulations, etc. Therefore, it would be beneficial for the District to hire a Consultant with specialized knowledge in labor laws, employment, compensation, benefits, and HR practices to guide staff during this transition period and on an on-going basis. The Consultant would be responsible for the following items:

- Arrange and participate in the hiring and interviewing process for new District staff;
- Provide advice on performance management assessment and salary decisions, including setting yearly salary range for each position;
- Build HR documentation and records for District personnel;
- Assist on developing the District's:
 - Plan Documentation;
 - Administrative Code as it relates to employee benefits and Code of Conduct;
 - Procedures for payroll, retirement, various HR reporting, deferred compensation, etc.;
- Assist in the employment termination process;
- Investigations (fact finding), if necessary;
- Assist in the annual salary survey;
- Provide advice on HR related matters, as needed; and
- May be asked to attend Committee and Board meetings.

Consulting Firms

Staff issued a "Request for Proposals" and received proposals from Creative Resources, Inc., CPS Human Resource Services and Paychex. Staff invited the three consulting firms to participate in an interview process. The following is a brief description of the consulting firms along with rates:

Creative Resources, Inc.: Founded and managed by Anita Gorino, SPHR, with more than 25 years of experience and expertise in all aspects of HR management. Ms. Gorino is personally involved on a one-to-one basis with all her clients.

- Monthly retainer rate: \$ 1,750 Average of 3 on site visits per month
- Rate: \$125 per hour
- Quotes to be provided on Special Projects

CPS Human Resource Services: A Joint Powers Authority among the City and County of San Francisco, State of California, State of Nevada, City of Anaheim, County of Sonoma, et al and a public agency that provides comprehensive and cost-effective HR services. Among its clients are Santa Clara Valley Water District and South Florida's Water Management District. CPS would assign one HR Consultant to the District that would delegate the District's projects to different sub-consultants. There is no guarantee that the same consultant will be servicing the District's needs.

- Rate: \$95 per hour
- Quotes to be provided on Special Projects

Paychex: A premier payroll servicing company that also provides expanded HR services. This company caters to small organizations that do not have dedicated HR personnel. The package includes one consultant that would serve as a liaison between the District and Paychex's processing staff. The consultant would only be available to assist the District at an average of eight hours a month.

- Rate: \$3,000 set-up fee
- \$50.90 per employee per month

Based on the interviews conducted, staff feels that Creative Resources, Inc. will provide the specific services the District needs during this critical period. Services will be performed by Anita Gorino, which will provide consistency and maintain confidentiality. Therefore, under the General Manager's authority, staff entered into a contract with Creative Resources, Inc. to provide Human Resources Consulting services, commencing July 1, 2006 through June 30, 2007 for a not-to-exceed amount of \$21,000.

FISCAL IMPACTS:

Amounts are included within the District's Finance and Support Services operating fiscal year 2006-07 Budget.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Finance/Administration Committee on July 12, 2006 and was agendized to the July 24, 2006 Board meeting as information for discussion.

RECOMMENDED MOTION:

This item is for information only.

EXHIBIT:

None.