## MEMORANDUM

City of <b>PRINCET</b> N Minnesota	TO: FROM: <b>SUBJECT:</b>	Mayor Walker and Councilors M McPherson, City Administrator Authorize Execution of Service Contract for Clas- sification & Compensation Study, Flaherty & Hood PA
	DATE:	October 26, 2021

## **Background**:

This item was tabled at the October 14 meeting in order for staff to clarify if in-person interviews of staff would be an add-on to the not-to exceed price of \$20,500. Staff has confirmed that in-person interviews will add an additional \$3,000 to the base contract for a total of \$23,500. The \$3,000 co-vers as many staff as we choose to have interviewed.

## Analysis:

As a contract that provides a service, the City is not obligated to select the lowest bid; with the additional task and fee, the total contract cost is no longer the lowest bid, but is now \$1,100 more than the next lowest bid. It is within the budgeted amount however. Staff is of the opinion that the recommended contractor is the best fit for the project based on the proposal submitted.

## **Recommendation:**

Staff recommends that the City Council authorize execution of the service contract with Flaherty & Hood PA for completion of the Classification and Compensation Study at a not-to-exceed cost of \$23,500.