



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: 26-421

May 19, 2026

Introduced: 5/1/2026

Current Status: Agenda Ready

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Matter Type: General Agenda Item

- a. Approve and authorize the Contracts and Purchasing Agent or designee to execute a non-standard agreement with Gallagher Benefit Services, Inc. for the provision of human resources consulting services related to base wage, job classification, and organizational studies for the Monterey County Water Resources Agency, in the amount of \$61,920, for a term from the date it is fully executed through June 30, 2027;
- b. Accept the non-standard Indemnification and Royalties and Inventions terms and conditions as recommended by the Human Resources Department and County Counsel Office; and
- c. Approve and authorize the Contracts and Purchasing Agent or designee to execute future amendments, provided they do not exceed an aggregate amount of \$100,000.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts and Purchasing Agent or designee to execute a non-standard agreement with Gallagher Benefit Services, Inc. for the provision of human resources consulting services related to base wage, job classification, and organizational studies for the Monterey County Water Resources Agency, in the amount of \$61,920, for a term from the date it is fully executed through June 30, 2027;
- b. Accept the non-standard Indemnification and Royalties and Inventions terms and conditions as recommended by the Human Resources Department and County Counsel Office; and
- c. Approve and authorize the Contracts and Purchasing Agent or designee to execute future amendments, provided they do not exceed an aggregate amount of \$100,000.

SUMMARY:

The Human Resources Department periodically requires specialized technical expertise to support base wage compensation analysis, salary benchmarking, and related classification and compensation initiatives. Due to current workload demands and the need for subject matter expertise in base wage compensation analysis for the Monterey County Water Resources Agency, the Human Resources Department proposes entering into an agreement with Gallagher Benefit Services, Inc., a consulting firm that provides professional human resources consulting services.

Gallagher Benefit Services, Inc. brings demonstrated experience providing classification and compensation consulting service to public agencies with similar operational and technical complexities, including infrastructure, utilities, and water districts. This experience supports the development of accurate and defensible market recommendations.

During the contract negotiation process, modifications to the County's standard agreement template were recommended by Gallagher Benefit Services, Inc. As a result, Board approval is required to authorize execution of the non-standard agreement and acceptance of the modified terms and conditions as listed on Exhibit C to the agreement.

DISCUSSION:

The Human Resources Department identified the need for professional consulting services to assist the Monterey County Water Resources Agency with a classification and base wage compensation study. These services support the County's responsibility to maintain a competitive, equitable, and policy-compliant compensation structure, particularly for classifications within the Water Resources Agency that operates in a highly specialized and technical environment requiring knowledge of water systems, engineering functions and regulatory requirements.

Gallagher Benefit Services, Inc. was selected due to its demonstrated experience providing human resources consulting services, including classification and compensation analysis for California public agencies, as well as organizations with similar operational and technical complexities in infrastructure, utilities, and water resource management. Engaging Gallagher Benefit Services, Inc. will help supplement internal staffing resources and ensure continuity of time-sensitive classification and compensation initiatives.

During the contract review process, non-standard terms were identified, including provisions related to indemnification and royalties and inventions (listed in Exhibit C to the agreement). The proposed modifications to the Standard Agreement were reviewed by County Counsel and are not expected to increase the County's risk.

Approval of this non-standard agreement will allow the Human Resources Department to obtain specialized classification and compensation consulting services in support of the County's compensation program, including the ability to address complex, water resource-specific classification and compensation needs within the Monterey County Water Resources Agency.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:

The offices of the County Counsel and Auditor-Controller have reviewed the Agreement as to form and fiscal provisions, respectively.

FINANCING:

The cost associated with this agreement is \$61,920, which will be covered by the Monterey County Water Resources Agency within available appropriations in the FY 2025-26 and FY 2026-27 budgets.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:

The proposed recommended actions support the Board of Supervisors' Dynamic Organization and Employer of Choice Strategic Plan Goal. These actions demonstrate the County's commitment to attracting, hiring, and retaining a diverse and talented workforce by establishing fair compensation across all employee levels.

- Well-Being and Quality of Life
- Sustainable Infrastructure for the Present and Future
- Safe and Resilient Communities
- Diverse and Thriving Economy
- Dynamic Organization and Employer of Choice

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Approved by: Andreas Pyper, Director of Human Resources, ext. 5043

Attachments:

Agreement between the County and Gallagher Benefit Services, Inc.