



**City of Kingston
Report to Council
Report Number 21-063**

To: Mayor and Members of Council
From: Brad Joyce, Commissioner, Corporate Services
Resource Staff: Deanne Roberge, Director, Human Resources and Organization Development
Date of Meeting: February 16, 2021
Subject: Single Source Mercer for a Non-Union Compensation Review

Council Strategic Plan Alignment:

Theme: Corporate business

Goal: See above

Executive Summary:

The purpose of this report is to seek Council approval to engage Mercer Canada to design and implement a customized point factor job evaluation system (compensation review) for non-union employees.

Mercer is being recommended as a single source procurement due to their unique and extensive experience in the public sector in developing and implementing job evaluation systems and associated compensation structures.

In accordance with By-Law Number 2000-134, A By-Law to Establish Purchasing Policies and Procedures, Council approval is required to enter into a single source agreement that is greater than \$50,000.

Recommendation:

That Council authorize the Mayor and Clerk to enter into an agreement with Mercer Canada to develop and implement a customized point factor job evaluation system for non-union employees for an amount not to exceed \$121,500 plus applicable taxes, in a form satisfactory to the Director of Legal Services.

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Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER

**Brad Joyce, Commissioner,
Corporate Services**

ORIGINAL SIGNED BY CHIEF
ADMINISTRATIVE OFFICER

**Lanie Hurdle, Chief
Administrative Officer**

Consultation with the following Members of the Corporate Management Team:

Paige Agnew, Commissioner, Community Services	Not required
Peter Huigenbos, Commissioner, Business, Environment & Projects	Not required
Jim Keech, President & CEO, Utilities Kingston	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	
Sheila Kidd, Commissioner, Transportation & Public Works	Not required

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Options/Discussion:

Mercer has a wealth of experience working with organizations in the Canadian public sector and has deep expertise in developing and implementing job evaluation systems and associated compensation structures. Their extensive public sector consulting experience provides insights and expertise in the issues and associated compensation trends in this market sector. This includes job evaluation and classification program design and implementation that addresses specific legislative requirements and implementation in a rapidly changing marketplace.

Point factor job evaluation systems are the most common method for measuring the relative value of jobs at Ontario municipalities, as these systems support compliance with provincial Pay Equity legislation and municipalities can tailor the system to their workforce. Mercer will work with the City to ensure market practices are taken into consideration in the development of the custom point factor job evaluation system to ensure the system measures aspects of work that are relevant in the modern workplace.

The scope of this project includes 1) project planning and data collection; 2) stakeholder interviews; 3) job evaluation system design; 4) job description and job information questionnaire completion; 5) job evaluation analysis; and 6) internal hierarchy confirmation and branding. The estimated timeline to complete this project is 23 weeks at a cost of \$111,500 – \$121,500.

[By-Law Number 2000-134](#) a By-law to establish purchasing policies and procedures for the City of Kingston, as amended, indicates “Single Source” shall mean:

- i) there is more than one source in the open market but for reasons of function, service, unique technology or proprietary interest only one Vendor is recommended for consideration of the particular goods and/or services; or
- ii) there is only one known source of supply of particular goods or services.

Mercer is a vendor with the knowledge and expertise to design and implement a customized job evaluation system for non-union employees. Staff had contacted other vendors to determine capabilities, but Mercer was the only company that would have the capability, capacity and working knowledge to effectively complete the undertaking. The company is very familiar with our structure and positions, having worked with the City of Kingston in 2017 in evaluating 67 positions then. Other comparator municipalities were also consulted, and staff discovered that they were also using Mercer for this type of work and all were very satisfied with the company’s product and methodologies. Finally, Mercer is one of the only agencies that conduct annual municipal salary surveys (including with the City of Kingston) and would come with that internal intelligence and reduced costing.

Existing Policy/By-Law:

[By-Law 2000-134](#), “A By-Law to Establish Purchasing Policies and Procedures”, as amended.

Notice Provisions:

None

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Accessibility Considerations:

None

Financial Considerations:

There are sufficient funds in the Human Resources and Organization Development operating budget to cover the costs associated with this review.

Contacts:

Deanne Roberge, Director, Human Resources and Organization Development 613-546-4291 extension 1283

Other City of Kingston Staff Consulted:

Brent Funnell, Supervisor, Procurement Operations, Financial Services

Exhibits Attached:

None