

REQUEST FOR PROPOSAL
FOR
CLASSIFICATION AND COMPENSATION
STUDY & ANALYSIS
RFP NO. 2021-04



BID OPENING
2:00 P.M., December 23, 2021

Release Date: December 2, 2021
Response Due By: December 23, 2021

Request for Proposal

Classification and Compensation Study and Analysis

RFP No. 2021-04

I. INTRODUCTION

The City of Canyon Lake, incorporated on December 1, 1990, is primarily a gated community of approximately 11,000 residents in Southwest Riverside County, bordered by Menifee to the east and Lake Elsinore to the west. More than 95% of the residents are members of a Property Owners Association (POA) that include a lake, golf course, campground, equestrian center, multiple level playing sports fields, lodge, country club, parks, and beaches.

II. BACKGROUND INFORMATION

The City is a full-service City, with a five-member City Council operating under the Council/Manager form of government. Annually the City Council selects one of its members to serve as Mayor and another as Mayor Pro Tem.

City departments include City Manager, City Clerk, Fire, Code Enforcement, Building & Safety, Planning, and Finance (including Human Resources). Outside of the City's 12 sworn Fire Department personnel (who will not be part of this study), the City has approximately 11 full-time employees and 3 part-time employees. The City contracts for City Attorney, Police, Engineering, Planning, Economic Development, Public Works and IT Services.

It is not clear if the City has ever conducted a Classification and Compensation study. However, each year the City Council adopts a salary schedule for all City positions. Over the past three years, approximately 7 new full-time positions have been created (not including the 12 sworn Fire Department positions). During this time, it seems that inequities have developed which make recruitment and retention of highly qualified individuals a challenge.

III. GOALS AND OBJECTIVES

The purpose of the Classification and Compensation Study is to address changes in City operations and staffing over the past years, which may have impacted the type, scope, and level of work being performed.

The City's objectives are to:

1. Attract and retain qualified employees;
2. Ensure positions performing similar work with essentially the same level of complexity, responsibility, and knowledge, skills, and abilities are classified together;
3. Provide salaries commensurate with assigned duties;

4. Clearly outline promotional opportunities and provide recognizable compensation growth;
5. Provide justifiable pay differential between individual classes; and
6. Maintain a competitive position with other comparable government entities and private employers within the same geographic areas.

All work will be done with regular involvement of the City Manager, Administrative Services Manager & Finance/Human Resources Department. Department heads and other key personnel will be involved as necessary. Regular presentations and meetings with these individuals or groups, incorporating their input into the process, are expected. Presentation to the City Council upon completion of the project is also expected.

The study shall evaluate the present salary structure as compared to the specific job market for comparable positions in the public sectors. The consultant shall perform or provide the following:

A. Scope of Services

1. Provide for a comprehensive evaluation of every job within the City to determine relative worth within the organization for internal equity and for the establishment of pay ranges and step progressions within the ranges.
2. Review all current job classifications, confirm, and recommend changes to hierarchical order of jobs using your evaluation system.
3. Establish appropriate benchmarking standards and conduct salary surveys as needed for similar positions with comparable California municipalities as required.
4. Identify potential pay compression issues and provide potential solutions.
5. Analyze and recommend changes to the present compensation structure to meet market analysis. This recommendation may include recommendations for individual positions as well.

B. Information Meetings

1. Consultant to schedule an initial meeting with City Manager, Administrative Services Manager, & Finance/HR, to discuss the process and tasks to be performed in the study to include reasonable dedication of key personnel.
2. Consultant to meet with department heads to explain study and process to be used.
3. Consultant to provide frequent updates to Administrative Services Manager.

C. Classification Study

1. Consultant to review current classification grade methodology and propose recommended strategies for the City.

2. Consultant to conduct interviews and/or job audits as appropriate. Interviews and/or job audits may be conducted individually or in groups based upon classification.
3. Consultant to update job descriptions to uniformly reflect the distinguishing characteristics, essential job functions, minimum qualifications (education/experience and knowledge/skills/abilities), working conditions (physical demands, work environment, and travel requirements), and certification/licenses/registrations requirements for classification as needed.
4. Consultant to identify Officials & Administrators, Professionals, Technicians, Paraprofessionals, Administrative Support, Skilled Craft Workers, and Service employees, including fair Labor Standards Act (FLSA) status (exempt/non-exempt).
5. Consultant to present proposed recommendations to the Administrative Services Manager for review prior to making any final classification determinations.
6. Consultant to finalize class specifications and recommend appropriate classification for each employee, including correction of identified discrepancies between existing and proposed classifications.
7. Consultant to identify career ladders/promotional opportunities as deemed appropriate.
8. Consultant to submit recommendations for appropriate implementation measures that the Human Resources Department will need to take.
9. Consultant to provide a straightforward, easily understood, maintenance system that Human Resources Department will use to keep the classification system current and equitable. The classification system should be provided in an electronic format. Maintenance should include annual activities, as well as the process the City would use in the review of the classification of individual jobs, as needed.
10. Consultant to conduct a comprehensive training program for Human Resources staff to ensure that the staff can explain and administer the new system in the future. The training program should be clearly spelled out in the proposal.

D. Compensation Study

1. Consultant to review current compensation plan (salary grade levels and steps) and understand current challenges in recruiting and retaining employees.
2. Consultant to recommend and identify a consistent and competitive market position that the City can strive to maintain.
3. Consultant to present comparable labor markets, including both private and public sector employers for compensation survey.
4. Consultant to develop and conduct a comprehensive compensation and benefits survey.
5. Consultant to recommend appropriate salary ranges for each position based on the classification plan, the compensation survey results, and internal relationships and

equality. Prepare a new salary structure based on the results of the survey and best practices.

6. Consultant to develop guidelines to assist City staff in determining the starting pay for new employees based on knowledge and experience above the minimum requirements of the position, how difficult the position is to fill, and market competitiveness.
7. Consultant to recommend implementation strategies including calculating the cost of implementing the plan.
8. Consultant to identify any extreme current individual or group compensation inequities and to provide a recommended corrective action plan and process to remedy these situations.
9. Consultant to make recommendations and to provide implementation strategies related to other key compensation practices, based on market demands, including pay for performance, skill pay, special assignment pay, certification pay, promotional pay, and acting assignment pay.
10. Consultant to provide system documentation and computer formats/software to administer compensation plan.
11. Consultant to provide recommendations for the ongoing internal administration and maintenance of the proposed compensation plan. Maintenance should include annual activities such as market survey.
12. Consultant to conduct a compression analysis to include any recommendations for implementation.
13. Consultant to conduct a comprehensive training program for Human Resources staff to ensure that the staff can explain and administer the new system in the future. The training program should be clearly spelled out in the proposal.

IV. CITY RESOURCES

The City will provide copies of all pay ranges, job classifications, and any other available in-house information requested by the selected consultant that may be required to complete the study. The City of Canyon Lake's current budget, along with the current salary schedule, can be found on the City's website at <https://canyonlakeca.gov/hr>.

V. PROPOSAL FORMAT AND REQUIREMENTS

The offeror shall submit one original (conspicuously marked "ORIGINAL"), five complete copies, and one USB flash drive of their written proposal that presents their qualifications and understanding of the work to be performed. Include all information requested, organized in tabbed sections clearly identified in a table of contents as described in the paragraphs that follow. Any other information thought to be relevant, but not applicable to the enumerated categories, may be provided as a separate appendix to the proposal. The following information/documents shall be included in the proposal package to be considered responsive to the Request for Proposals:

A. Agents and Address

Identify who will be the project manager and key staff assigned if awarded. Provide resumes summarizing the qualifications and experience of the individuals who will be conducting the study. Include specific information on the staff's experience with public sector compensation including public safety. Describe successful outcomes List the address, e-mail address, and telephone number of the office from which the services are to be provided. Promotional literature and other public relations documents should NOT be included.

B. Statement of Methods and Procedures

Provide a statement describing the scope of work as you understand it. Describe the approach, means, methods, and procedures to be used to gather the data, analyze findings, and develop recommendations as requested. Provide a sample of reports and/or other correspondence.

C. Management Synopsis

Provide a synopsis prepared for management review, covering the significant features of the proposal including overall costs and term of work.

D. Structure and Content of Work Product

Provide a detailed breakdown and description of the specific steps, services, and study products that will be provided. Describe how the final product will be structured and presented upon completion. Include any computer/software compatibility information. Firms may elect to include in the section any innovative methods or concepts that might be beneficial to the City of Canyon Lake as long as the minimum requirements set out in this RFP are met.

E. Work Schedule

Provide a timeline indicating tasks required and the start and completion dates for each. It is expected that the work will commence as soon as possible after the contract is awarded.

F. References

Include the name, address, telephone number, and e-mail address for contact persons at five (5) other public entities for which comparable services have recently been rendered.

G. Cost of Services

Provide a total cost estimate, including travel expenses, and "not to exceed" amount for the work described in scope of work; a rate schedule for computing any extra work not specified in the contracted scope of work; and an amount to be deducted from total cost estimate because Offeror is conducting (or has conducted in the past six (6) months) salary surveys of comparable jurisdictions, the data from which can be shared rather than independently gathered.

H. Final Product

Provide a statement that the proposer agrees to:

- a. Deliver at least one (1) original, five (5) copies, and a USB flash drive of the final report to the Administrative Services Manager.
- b. Provide the final report, tables, schedules, job descriptions, charts, spreadsheets, salary surveys, and other materials necessary for the implementation and

maintenance of the compensation/classification system in an electronic medium (USB flash drive); and

- c. Appear at a scheduled City Council meeting to discuss the recommendations and final report.

I. Additional Services (Optional)

Provide any other related and recommended products or service not specified in the RFP which may be considered essential or benefitted by the firm. These services should be priced separately from “G” above and shown here.

J. Other

The complete (all pages) Request for Proposal documents with any addenda acknowledgements filled out, initialed, and signed as required. The person that signed the RFP shall have the authority to negotiate the full scope of services on behalf of the organization and shall be authorized to bind the contract to the terms and conditions of this RFP.

The classification and compensation system to be recommended as responses to this RFP must adhere to the following basic elements and characteristics: (a) the system must meet all legal requirements, (b) be totally nondiscriminatory and provide for compliance with all pertinent federal, state, and local requirements (e.g., ADA, FLSA, EEO, etc.).

1. The system must be easy for management to administer, maintain, and defend.
2. The system must easily accommodate organizational changes and growth.
3. The system should be based on sound compensation principles in which internal and external equity are considered within the pay structure, as well as, the concepts of equal pay for equal work, equal pay for similar work, and equal pay for comparable work.
4. The system should provide for new positions to be incorporated into the compensation plan, as well as, regular adjustments to maintain the plan’s competitiveness.
5. The system should be compatible with current City of Canyon Lake payroll programs/software.

The City requests that all information submitted by the successful consulting firm be in Microsoft Word format on USB flash drive and in hard copy. The City further requests the complete use of the material developed for the ability to update or change it as needed. All work provided by the consultant under contract with the City of Canyon Lake shall belong exclusively to the City.

VI. COST PROPOSAL

This request for information does not, under any circumstance, commit the City to pay any costs incurred by any proposer in the submission of qualifications. The proposer is responsible for all costs associated with response to this request.

VII. QUESTIONS

Questions pertaining to this document should be submitted via e-mail with “Questions about

Salary Survey” in the subject line, at least two days prior to the due date, to the City’s Management Analyst, Tyler Ferrari, at: tferrari@canyonlakeca.gov.

VIII. CRITERIA AND SELECTION

After city staff has reviewed the proposals, final selection will be determined. The successful contractor will be required to enter into an agreement for professional services with the City of Canyon Lake.

Proposals will be evaluated using the following criteria:

- Quality and thoughtfulness of the proposal. 20%
- Related experience of the firm and key staff with similar studies. 20%
- References, credentials and/or recommendations from past clients. 15%
- Costs associated with developing, preparing, and presenting the study. 25%
- Ability of the firm and the firm’s subcontractors to provide the services requested as well as financial stability and availability. 20%

IX. SUBMITTALS

All proposals must be delivered to the City no later than 2:00 p.m. local time on Thursday, December 23, 2021. Proposals must be delivered to the City of Canyon Lake, Attn: Ana Sauseda, City Clerk, 31516 Railroad Canyon Road, Canyon Lake, CA 92587 or by mail to the City of Canyon Lake City Clerk’s Office, Attn: Ana Sauseda, City Clerk, 31516 Railroad Canyon Road, Canyon Lake, CA 92587. Proposers will be responsible for delivery of their proposals to the City before the deadline. Any proposal received after the deadline will not be considered.

The City of Canyon Lake reserves the right to reject any or all proposals at any time with no penalty and to waive immaterial defects and minor irregularities in proposals.

The evaluation of proposals will be done by City personnel who will then forward a recommendation to the City Council for consideration. Fee proposals, which are to be submitted with the qualification proposal will also be taken into consideration.

The duration of this consultant agreement has not been determined.

The City of Canyon Lake does not discriminate on the basis of race, creed, color, ethnicity, national origin, sex, age, or marital status.

X. GENERAL INFORMATION

Contract Term: The City expects the chosen firm to start as soon as possible after the execution of the contract, but no later than January 18, 2022. The project must be completed no later than April 1, 2022. The contract may be cancelled immediately by the City for non-performance.

A. Termination

The contract may be terminated by either party in writing by delivery of a thirty (30) day written notice to the other party.

B. RFP Schedule of Events

The RFP Schedule of Events is a proposed schedule and is subject to change. Some items listed on this proposed schedule may or may not be necessary for a variety of reasons. As well, the proposed dates and sequence may need to be modified, which the City reserves the right to do at any time. Should there be such changes, all proposers will be notified.

1. Release of RFP – December 2, 2021
2. RFP Submission Deadline - December 23, 2021 @ 2:00 p.m.
3. Selection of Finalist(s) by Staff – January 3–6, 2022
 - a. Consultant Interviews/Demonstrations (if necessary)
 - b. Consultant Qualification Review/Reference Check
4. City Council Final Approval - January 12, 2022
5. Project Initiation – January 13, 2022
6. Project Completion – No later than April 1, 2022

C. Evaluation Procedures

City staff will be responsible for the RFP evaluations. Staff, in accordance with the criteria listed below, will evaluate all proposals received as specified. City staff, in applying the major criteria to the proposals, may consider additional sub-criteria beyond those listed. During the evaluation period, City staff may elect to interview some or all the proposing consultants. The individual who will be directly responsible for carrying out the contract if awarded should be present at the oral interview. The final selection will be the consultant which, in the City's opinion, is the most responsive and responsible, meets the City's requirements in providing this service, and is otherwise in the City's best interest. The City maintains the sole and exclusive right to evaluate the merits of the proposals received.

Proposals will be evaluated based on the following criteria: thoroughness and understanding of the tasks to be completed, background and experience, staff expertise and overall experience of personnel assigned to the work, time required to accomplish the requested services, compliance with RFP requirements, recent public sector experience conducting similar services, references, and cost.

D. Administrative and Contractual Obligations

The successful Consultant will be required to enter into a written agreement with the City in which the Consultant will undertake certain obligations. These obligations include but are not limited to:

1. ***Inclusion of Proposal:*** The proposal submitted in response to this RFP will be incorporated as part of the final contract with the selected Consultant. Any oral responses to staff's queries will also be included.
2. ***Sample Agreement:*** Please carefully review the City's sample agreements and insurance requirements before responding to this Request for Proposal. Your

response to the Request for Proposal must indicate if you are unwilling or unable to execute the agreement as drafted as well as providing the insurance requirements. The City will consider this in determining responsiveness to the Request for Proposal.

3. **Confidentiality Agreement:** Confidentiality of information is vital. The selected vendor and their employees will be required to sign and adhere to a confidentiality clause that information in the system must remain confidential under penalty of law.
4. **Insurance Requirement:** The consultant shall demonstrate the willingness and ability to provide the required insurance coverage as set forth in Exhibit A of the sample agreement within ten (10) calendar days of notification of selection for award of an agreement.
5. **Withdrawal:** A proposal may be withdrawn, without obligation, by an authorized representative of the Consultant in writing at any time prior to the scheduled bid closing date.
6. **Rights to Materials:** All responses, inquiries, and correspondence related to this RFP and all reports, charts, displays, scheduled, exhibits, and other documentation produced by the Consultant that are submitted as part of the proposal and not withdrawn prior to the scheduled Closing Date shall, upon receipt by the City, become property of the City. In addition, this proposal may only be reproduced by the Consultant for purposes of bid preparation. It may not be copied, sold, or otherwise distributed to any individual, city, or business, unless prior written permission is obtained from City.
7. **Costs:** The City is not liable for costs incurred by Consultant, or subcontractors, in the RFP process, including but not limited to costs for printing, mail, travel and lodging, oral presentations, software demonstrations, and contract negotiations.
8. **Acceptance of Bid:** The contract entered into by the successful Consultant and the City shall be interpreted, construed, and given effect in all respects according to the laws of the State of California.
9. **Award:** Although cost is an important factor in deciding which proposal will be selected, it is only one segment of the criteria used to evaluate consultants and systems. The City reserves the absolute right, in its sole discretion, to award a contract, if any, which under all circumstances will best serve the public interest. City reserves the right to reject any or all proposals or to make no award at all, to determine whether any alternate proposals are equal to the specifications and general requirements, and to accept proposals with minor variations from the specifications and/or conditions. The final award will be subject to the approval of the Canyon Lake City Council.
10. **Disclosure of RFP Information:** After award, all written proposals are open to public inspection. City assumes no responsibility for the confidentiality of information offered in a proposal. The RFP is worded in a manner so as not to elicit proprietary information. If proprietary information is submitted as part of the proposal, such information is to be labeled proprietary and be accompanied by a request that the information is to be returned to the submitter by the City. Any proposal submitted with a blanket statement

or limitation that would prohibit or limit such public inspection shall be considered nonresponsive and shall be rejected.

VII. QUESTIONS DURING PROPOSAL PERIOD

All questions should be submitted via email to Tyler Ferrari, Management Analyst, at tferrari@canyonlakeca.gov. Questions regarding this proposal must be received on or before December 21, 2021.

VIII. TIMELINE

Deadline for Proposals: December 23, 2021, at 2:00 p.m.

Start Date: To be arranged, but not later than January 18, 2022

Mail Proposals to:
City of Canyon Lake
Attn: City Clerk's Office
31516 Railroad Canyon Road
Canyon Lake, CA 92587