

City of Commerce

# Request for Proposals:

Citywide Classification & Compensation Study

Proposals Due: September 14, 2017



## Contact:

Lena Shumway  
Director of Administrative Services and City Clerk  
City of Commerce  
2535 Commerce Way,  
Commerce CA 90040  
Phone: 323-722-4805  
Fax: 323-726-6231  
Email: [lshumway@ci.commerce.ca.us](mailto:lshumway@ci.commerce.ca.us)

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## **I. INTRODUCTION AND PURPOSE:**

The City of Commerce invites interested qualified, professional consulting services to submit written proposals to evaluate, analyze and prepare a city-wide Classification and Compensation Study.

The purpose of the Classification & Compensation Study is to address changes in City operations and staffing over the last several years, which may have affected the type, scope and level of work being performed. The objective is to have a credible Classification & Compensation Plan that recognizes these changes; ensures positions performing similar work with essentially the same level of complexity, responsibility, and knowledge, skills and abilities are classified together; provides salaries commensurate with assigned duties; clearly outlines promotional opportunities and provides recognizable compensation growth; provides justifiable pay differential between individual classes; and maintains currency with relevant labor markets. In addition, the City seeks recommendations on staff alignments, reporting relationships and organizational structure.

## **II. BACKGROUND:**

The City of Commerce was incorporated as a general law city on January 28, 1960. The City is located in the Southeast section of County of Los Angeles, approximately six miles east of downtown Los Angeles. The City of Commerce encompasses 6.6 square miles and has a population of approximately 13,000. The City of Commerce is a contract city, meaning that some services are provided by contract with agencies and some services are delivered by the City's own employees. Police and Fire protection services are provided by Los Angeles Sheriff's Department and Los Angeles County Fire Department respectively

The City of Commerce has approximately 153 authorized full time positions and 396 part-time for FY 17-18, and its departments include Administration, Human Resources, Public Works and Development Services, Transportation, Library, Parks and Recreation and Public Safety and Community Services. Presently, there are one (1) collective bargaining units representing all full-time employees. Department Heads and several confidential employees are not represented.

The City conducted a comprehensive classification and compensation review in 2008, while Parks and Recreation Department had some recent classification and compensation evaluation. The City's classification plan requires an update, with classification specifications that are in line with current changes and requirements in the law. Classification specifications need to be updated to reflect current job duties and requirements of the position, including physical requirements and essential job functions to comply the American with Disabilities Act (ADA). Additionally, the City has recently realigned several positions, resulting in the slight reorganization of several departments.

### **III. SCOPE OF WORK:**

The objective of this proposal is to solicit competitive proposals from qualified providers to assist in:

#### **A. Classification Study**

- a. Updating the classification plan for approximately 137 classifications representing approximately 153 full-time and 396 part-time employees as of July 2017. (Part-time classifications are an option and are not required for this study; however, the City is interested in receiving a proposal for a part-time classification study).
- b. Develop a classification structure that reflects the City's overall classification and compensation strategy and includes the clear definition of terms and the development of career ladders for full-time and part-time employees.
- c. Review the background materials including existing classifications, organizational charts, budgets, salary resolutions and schedules, personnel rules, applicable memorandums of understanding, and related information.
- d. Conduct orientation and briefing session(s) with employees and labor union.
- e. Conduct orientation and briefing session(s) with all department heads, managers and supervisors.
- f. Develop a comprehensive questionnaire to be completed by all employees. Meet and consult with labor union in the development of said questionnaire.
- g. Conduct interviews with all employees in single position classifications, a representative sample of employees in multiple position classifications, and appropriate management personnel to validate the information.
- h. Allocate all employees included within the scope of the study to an appropriate job title, job classification and exempt and non-exempt designation pursuant to the Fair Labor Standards Act (FLSA).
- i. Develop new classification specifications to reflect current duties, requirements of the position, including physical requirements and essential job functions.
- j. The classification specifications shall include the following items:
  - i. A definition of the job classification;
  - ii. A complete description of the essential job functions;
  - iii. Requirements of education, experience, knowledge, skills and abilities;
  - iv. Supervision exercised and received with definition of lead or supervisory roles;
  - v. Working environment and/or conditions;
  - vi. Licenses, certifications, driving requirements and physical requirements in compliance with the American with Disabilities Act (ADA); and
  - vii. Appropriate exempt and non-exempt designation under the Fair Labor Standards Act (FLSA). The consultant will coordinate the varying

presentation styles of the project team to ensure a unified philosophy and standardization across all the classifications.

- k. Present the final classification and listing showing the recommended allocation of each position.
- l. The classification plan shall include an introductory section that describes class concepts and provides information about distinctions of various levels within a class series and other pertinent information.
- m. Provide appropriate implementation and maintenance manuals.
- n. Conduct training sessions for designated staff. Development a comprehensive questionnaire to be completed by all employees. Meet and consult with appropriate labor unions in the development of said questionnaire.

## **B. Compensation Study**

- a. Meet and consult with appropriate labor unions to identify survey labor market and classifications that represent most closely to the City of Commerce. This will include an explanation of the specific methodology (i.e., articulable factors) used to identify the survey agencies.
- b. Meet and consult with appropriate labor unions to determine list of comparable agencies to be used in survey. Conduct a comprehensive total compensation survey using comparable survey agencies, using not only job titles, but duties and responsibilities based upon the classification specifications from the City of Commerce.
- c. Complete an internal base salary relationship analysis, including the development of appropriate internal relationship guidelines.
- d. Develop external competitive and internal equitable salary recommendations for each classification included within the study.
- e. Assign a salary range to each classification which reflects the results of the market survey and the analysis of the internal relationships.
- f. Present draft results of the survey to management and union and bargaining units in a group meeting.
- g. Assist in the development of a strategy for implementing the compensation recommendations and plan.

## **C. Findings/Recommendations**

- a. Consultant to prepare written report of recommendations, including discussion of methods, techniques and data used to develop the Classification & Compensation Plan.

- b. Consultant to provide instructional information to allow City Staff to conduct individual salary audits and adjustments consistent with study methods until the next formal study is conducted.
- c. Consultant to attend meetings, if requested, throughout the process with employees, the City Manager and/or the City Council to explain methodology, survey results and recommendations. The consultant should budget for two Council meetings and four meetings with employees, not including the three kick-off meetings with employees.

#### **IV. SUBMITTAL CONTENT AND PROCEDURES**

The following minimum information should be provided in each proposal and will be utilized in evaluating each proposal submitted. To expedite the evaluation of proposals, submittals should be no more than 30 pages in length.

##### **a. Cover Letter**

The cover letter should indicate the full name and address of the consulting firm that will perform the services described in the RFP. The Consultant should include the name and contact information for the individual who will serve as project manager. Additionally, the cover letter should outline the firm's qualifications.

##### **b. Consultant's Prior Experience and Qualifications**

Provide examples of the last three (3) completed projects demonstrating the consultant's experience working with municipalities or other public agencies similar in size, scope and purpose.

##### **c. References**

Provide three (3) client references applicable to the scope of services. Include contact names, telephone numbers and e-mail addresses.

##### **d. Organizational Chart**

Identify all team members and their titles and responsibilities for the project.

##### **e. Team Member Resumes**

Provide a resume for all team members.

##### **f. Management Overview and Approach**

Explain the proposed methodology that will be used and clearly demonstrate understanding of the objectives the project is intended to complete. The Consultant should provide a

detailed work plan and time line indicating how each task under the Scope of Services will be accomplished.

**g. Fee Proposal**

As part of the cost and price proposal, the Proposer(s) shall submit proposed pricing to provide the services in the Scope of Work.

**h. Exceptions/Deviations**

State any exceptions to or deviations from the requirements of this RFP, segregating "technical" exceptions from "contractual" exceptions. Where Proposer(s) wishes to propose alternative approaches to meeting the City's technical or contractual requirements, these should be thoroughly explained. If no contractual exceptions are noted, Proposer(s) will be deemed to have accepted the contract requirements as set forth in Exhibit A.

**V: Evaluation and Selection Process**

The City will select one firm on the basis of qualifications, experience and cost. The following are the minimum qualifications to be used to evaluate the responses to this RFP:

1. The proposer has advanced knowledge of the laws and practices relating to employee classification and compensation within a municipal government setting.
2. The proposer has a demonstrated track record of success in handling all aspects of employee classification and compensation and at least five years of providing these services to public entities in the State of California.
3. Each proposer shall provide all public agencies they have performed relevant work for in the past three years. When possible, include references from cities of a similar size and characteristics to the City of Commerce.
4. The proposer can demonstrate an understanding of the assignment and knowledge of the skills necessary to serve in the role of the Classification and Compensation Consultant.

The City Administrator and designated Staff will conduct a review and evaluation of all proposals and may, if necessary, invite proposers to a personal interview. The City will review and evaluate proposals against the following criteria:

1. Demonstrated success: Does the proposer demonstrate that it has the appropriate experience and expertise in conducting successful classification and compensation studies similar to those likely to be performed for the City of Commerce?
2. Understanding of the City's Goals: Based on the information provided by the City, does the proposer understand the rules and regulations applicable to public entities in conducting classification and compensation studies, is the proposer familiar with the Commerce City Code and Personnel Rules, is the proposer aware of the resources of the City and obligation of the City to minimize costs while at the same time achieving optimum results?

3. Staff: Do the qualifications of key personnel to be assigned to working on the City's study coincide with the City's requirements? Does the firm's organizational structure show sufficient depth for the required work?
4. Familiarity with Locality: Does the firm have familiarity with the City of Commerce? How close are the firm's permanent offices to Commerce? (Preference is to local or near-local firms).
5. Specific Management Approach: How does the proposer intend to achieve the City's budget in conducting a "typical" classification and compensation study? How will the firm apply its management techniques and resources?
6. Reputation: Are the firm's references from past clients and associates favorable; and, does the firm show financial and operational stability?
7. Cost: Is the firm's cost proposal reasonable for the type and level of services to be provided? How does the firm's cost proposal compare to the cost paid by other governmental agencies for similar work?

During the evaluation period, the City may interview some or all of the proposing firms. The City will establish a specific date to conduct interviews, and all prospective Proposer(s) will be asked to keep this date available. No other interview dates will be provided, therefore, if a Proposer(s) is unable to attend the interview on this date, its proposal may be eliminated from further discussion. The interview will likely consist of a short presentation by the Proposer(s) after which the Proposal Evaluation Committee will ask questions related to the firm's proposal and qualifications. At the conclusion of the evaluation process, the Proposal Evaluation Committee may recommend to the City Council, a Proposer(s) with the highest final ranking or a short list of top ranked firms within the competitive range whose proposal(s) is most advantageous to the City. The City Council will review the Proposal Evaluation Committee's recommendation and make the final selection.

## **VI: General RFP Conditions**

- a. The City reserves the right to accept or reject any and all proposals, or any item or part thereof, or to waive any informalities or irregularities in proposals.
- b. The City reserves the right to withdraw or cancel this RFP at any time without prior notice and the City makes no representations that any contract will be awarded to any Proposer(s) responding to this RFP.
- c. The City reserves the right to postpone proposal openings for its own convenience.
- d. Proposals received by the City are public information and must be made available to any person upon request.
- e. Submitted proposals are not to be copyrighted.
- f. The City reserves the right to seek clarification of information submitted in response to this RFP.
- g. The City reserves the right to modify the RFP as it deems necessary.
- h. Any material misrepresentations made by the Proposer(s) will void the proposal response and eliminate the Proposer(s) from further consideration.



- i. The City shall not, in any event, be liable for any pre-contractual expenses incurred by Proposer(s) in the preparation of its proposal. Proposer shall not include any such expenses as part of its proposal.

Pre-contractual expenses are defined as expenses incurred by Proposer(s) in:

- i. Preparing its proposal in response to this RFP;
  - ii. Submitting that proposal to the City;
  - iii. Negotiating with the City any matter related to this proposal; or
  - iv. Any other expenses incurred by Proposer(s) prior to date of award, if any.
- j. All materials submitted become the property of the City.

#### **VII: PROFESSIONAL SERVICES AGREEMENT:**

The selected consultant will be required to enter into a Professional Services Agreement with the City of Commerce which includes the City's standard Terms and Conditions including insurance requirements.

#### **VIII. SUBMISSION OF PROPOSALS:**

All proposals must be received in the City of Commerce, City Clerk's Office by 5:30 P.M. Thursday, September 14, 2017. It is the responsibility of the Proposer to see that any proposal sent through the mail, or any other delivery method, shall have sufficient time to be received by the City of Commerce, City Clerk's Office prior to the proposal due date and time. Late proposals will not be accepted. Proposals shall be clearly marked and identified and must be submitted to:

City of Commerce  
City Clerk's Office  
2535 Commerce Way,  
Commerce, CA 90040

All inquiries and responses to this proposal shall be submitted via mail or e-mail to:

Lena Shumway  
Director of Administrative Services and City Clerk  
2535 Commerce Way  
Commerce, CA 90040  
Phone: 323-722-4805  
Fax: 323-726-6231  
Email: [lshumway@ci.commerce.ca.us](mailto:lshumway@ci.commerce.ca.us)

Interpretations or clarifications considered necessary in response to such questions will be resolved by the issuance of formal Addenda to the RFP. The deadline for all questions is September 14, 2017 at 5:30 PM. Questions received after this date and time may not be answered. Only questions that have been resolved in writing will be binding. Oral and other interpretations or clarifications will be without legal or contractual effect.

**IX. DELIVERY:**

Proposals must be delivered in a SEALED envelope/package and shall state the following on the outside of the envelope: “Citywide Classification & Compensation Study”.

**X. KEY DATES**

Deadline to submit proposal	September 14, 2017
Consultant Engagement	September 26, 2017
Kick-Off Meeting	October 10, 2017
Draft Study	January 31, 2018
Presentation to City Council	February 20, 2018
Final Study	March 6, 2018

