



REQUEST FOR PROPOSALS

FOR

COMPENSATION STUDY

PROPOSALS MUST BE RETURNED BY:

4:00 P.M., April 3, 2017

TO

**CITY OF SEDRO-WOOLLEY
CITY SUPERVISOR
325 METCALF STREET
SEDRO-WOOLLEY, WA 98284**

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1.0 INTRODUCTION

1.1 Background

The City of Sedro-Woolley is situated in Skagit County, approximately 65 miles north of Seattle. The City currently employs approximately 65 FTE's and serves a population of nearly 12,000. Sedro-Woolley was a timber town that has been moving from timber to technology over the past several generations and is home to Janicki Industries, the largest private employer in eastern Skagit County. The largest single employer remains in the public sector and is the Sedro-Woolley School District. Sedro-Woolley's retail sector is significantly influenced by the City of Burlington which is located five miles west and is along I-5. Burlington has one of the highest per capital sales tax revenues on the west coast.

1.2 Purpose

The City of Sedro-Woolley, hereafter referred to as the "City" is initiating this Request for Proposal (RFP) to elicit proposals to conduct an employee market-based compensation study. The compensation study will include up to 49 employees occupying 29 classifications (15 represented and 14 unrepresented classifications). The purpose of the study is to address current compensation issues (wage and salary).

The study is to be conducted by an outside consulting firm working closely with Eron Berg, the City Supervisor, and a Joint Committee comprised of labor (AFSCME) and management representatives. The Joint Committee will be formed to work with the consultant and to encourage communication and understanding with employees and elected officials regarding the project.

2.0 GENERAL REQUIREMENTS

2.1 Proposal Submission – Content and Format

Proposals must be prepared on 8 ½ by 11-inch white paper. Each proposal is to be in sufficient detail to permit evaluation. Proposals must be submitted in the format outlined and must contain, at a minimum, all items listed in the sequence below.

2.2 Issuing Office

The City Supervisor is the sole point of contact in the City for this selection action. Throughout the duration of this process, all communications are to be directed to the City Supervisor.

Eron Berg
City Supervisor
City of Sedro-Woolley
325 Metcalf Street
Sedro-Woolley, WA 98284

Questions should be directed to Eron Berg by email at eberg@ci.sedro-woolley.wa.us or Phone at (360) 855-9921 during normal business hours.

2.3 Submittal Information

Proposals are due on April 3, 2017 by 4:00 p.m. local time in Sedro-Woolley, WA. Please be advised that this is a receipt date, and not a postmark date. Late proposals will be returned unopened.

One original and six (6) copies are to be submitted. (Fax copies will not be accepted.)

A chief administrator of the bidder's firm must sign proposals. No other distribution of the proposal is to be made by the bidder. All proposals and accompanying documentation become the property of the City of Sedro-Woolley and will not be returned.

2.4 Preparation Costs

The City will not be liable for any cost associated with the preparation of a proposal submitted in response to this RFP.

2.5 Right of Rejection

The City reserves the right to reject any and all proposals submitted.

2.6 Request for Proposal Modification

The City reserves the right to modify this RFP at any time. In the event it becomes necessary to modify or revise any part of this RFP, the modified portion will be provided to all bidders who responded to the initial RFP.

2.7 Performance Period

It is the City's desire to complete this project within four (4) months from the signing of an agreement. The consultant will provide a draft report with preliminary finding/conclusions to the Joint Committee approximately three (3) months into the project, thereby allowing sufficient time for review by appropriate parties.

2.8 Acceptance of Proposal

The contents of the proposal (and/or alternative proposals) of the selected consultant will become part of the contractual obligations if a contract ensues. Failure of the consultant to accept these obligations may result in cancellation of its selection. A draft Professional Services agreement is included in this RFP.

2.9 Selection Process

The final selection for the professional services will be made on the basis of experience, qualifications, and references that closely fit our project.

The Joint Committee will review proposals, conduct interviews and prepare a selection recommendation to the City Council. The final selection for the professional services will be made on the basis of the proposal, experience, qualifications and references that closely fit our project. Cost is an important factor, but it will not be the controlling one.

3.0 PROJECT REQUIREMENTS

To achieve the desired results the City will require the following compensation study based on market rates:

1. A survey of prevailing market rate salaries and wages of up to ten comparable jurisdictions, using objective population, assessed valuation, sales tax and other sources of revenue and geographic demographic data, for all full-time City AFSCME represented and non-represented classifications.

2. Recommend market based salary grade ranges for all positions fitting them to the current pay plans and making recommendations for implementing salary ranges if appropriate and recommended.

4.0 SCOPE OF WORK

4.1 General

The City of Sedro-Woolley has agreed to fund a salary survey as part of an MOA with AFSCME to provide data for consideration in collective bargaining this fall.

4.2 Work Tasks

The Consultant shall complete the following areas of work. The consultant shall submit a timeline to accomplish the following tasks.

Compensation Survey: The firm or individual selected by the City will provide the following services:

Task One - Evaluation/Confirmation of Compensation Strategy: Conduct interviews with the Joint Committee. Meet with the Joint Committee to provide expert testimony regarding compensation basics; hear from members of the Joint Committee regarding proposed comparable jurisdictions. Develop compensation strategy and present strategy, including comparable jurisdictions to the Joint Committee. Consultant will have final decision-making authority on the selection of comparable jurisdictions. Review job descriptions/job duties to understand current classifications and match them to comparable jurisdictions' classifications.

Task Two – Marketing and Pricing: Conduct an external compensation survey and competitive market analysis based on most recent available labor market rates for the City of Sedro-Woolley for all classifications identified in this RFP. Identify benchmark positions appropriate for salary survey application in the future. Update Joint Committee, and employees on market status, issues, and concerns.

Task Three – Development of Recommended Salary Structure: Develop internally equitable, market based salary structure. Review salary structure with Joint Committee. Finalize salary structure design.

Task Four – Provide an explanation where the results of the labor market rate survey cause salary range adjustments to be recommended. Provide raw data to Joint Committee.

Task Five – Implementation Plan and Costing Scenarios: Develop implementation and costing scenarios, both immediate and long-range. Report to Joint Committee.

5.0 CONSULTANT'S REPORT

Study Schedule – It is expected that work will begin shortly after a contract is negotiated and signed. The project shall be completed within four (4) months or less. The study is to proceed and to be completed according to a schedule jointly agreed upon by the City with the consultant. The consultant's written proposal should include a schedule which moves as rapidly as is practical toward completion of the project.

Consultant's Draft Report – The draft report should be provided approximately three (3) months into the project to allow time for feedback and developing the final report. The consultant will review this report with the Joint Committee.

Consultant's Final Report – At the conclusion of the study, the consultant shall be required to submit a final report. The consultant will also be required to make presentations to the City Council, Joint Committee and City staff.

The consultant shall:

1. Explain and justify in detail the methodology used to develop the study. Include raw data.
2. Present the consultant's proposal for implementing the recommended compensation plan.
3. Quantify the fiscal impact of implementation schedules and present alternatives.

6.0 REQUIRED PROPOSAL CONTENTS/EVALUATION CRITERIA

Respond to each section fully and completely in order to assure that your firm receives full credit when your proposal is reviewed and rated by the City of Sedro-Woolley.

A. Firm Proposal/Consulting

1. Legal name of proposer/consulting firm
2. Mailing and street address
3. Telephone number
4. Name of authorized representative
5. Title of authorized representative
6. Signature of authorized representative

B. Consulting firm qualifications – Address the following points: (limit to two pages excluding resumes)

1. Experience in conducting similar studies
2. Experience in classification and compensation management consulting
3. Accomplishments in developing classification and compensation plans for public employers
4. Examples of public sector projects or studies which were adopted and implemented by the client, preferably in the local labor market.
5. Experience in doing internal equity salary setting
6. References including similar public agencies listing a contact person and phone number.

C. Project Manager Qualifications – Address the following points, unless the qualifications of the firm and the project manager are one and the same:

1. Identification of the project manager by name
2. Experience in conducting similar studies
3. Experience in classification and/or compensation management consulting.
4. Accomplishments in developing classification and compensation plans for public employers.

5. Examples of public sector projects or studies which were adopted and implemented by the client.
 6. Experience in doing internal equity salary setting.
- D. Evaluation of System Validity and Content – Limit to five pages excluding resumes. Describe how the consultant proposes to do the study. Include descriptions and documentation of the methodology proposed and the factors to be utilized. Describe and outline the tasks that the consultant believes are necessary to complete the study.
- E. Study Schedule – Include proposed dates, milestones, and sufficient definition of the tasks to clearly identify what they are. Indicate which tasks the project manager will perform and which may be performed by other consultant staff. Explain what, if any, work the City is required to complete with respect to the project.
- F. Employee Relations
1. Provide proposed methods for informing and educating affected employees regarding the study for dispelling any concerns they may have regarding the study during pre-study information sessions.
 2. Provide proposed methods for informing and educating affected employees regarding the results and validity of the study during post study information sessions.
- G. Availability of Consultant Firm – Indicate the extent of the firm’s availability to perform the study considering the firm’s other current business obligations.
- H. Project Cost – The consulting firm will provide a detailed estimate of costs for:
- BASE PROJECT (AFSCME Covered employees):
1. Project manager and staff cost with estimated hours.
 2. Travel/research rate (if different)
 3. A not-to-exceed maximum amount for the AFSCME employees.
- OPTIONAL ADD-ON SCOPE TO INCLUDE NON-REP EMPLOYEES:
1. Project manager and staff cost with estimated hours.
 2. Travel/research rate (if different)
 3. A not-to-exceed maximum amount for the non-rep employees.
 4. A not-to-exceed maximum amount for the total project (base and optional add-on).
- Consultants may address ways to reduce the cost of this project in their proposal. City may proceed with the base project (AFSCME employees) alone or the combined scope to include the optional add-on (non-rep employees) depending on cost.
- I. Sample of Job Incumbent Questionnaire – Copy of the proposed questionnaire to be used by the consultant to document job content.
- J. Audit of Positions – Proposed percentage of positions to be audited by Consultant through direct interview.

APPENDIX A
CITY OF SEDRO-WOOLLEY PROFESSIONAL SERVICES AGREEMENT

PROFESSIONAL SERVICES AGREEMENT No. 201-PS-__
(To be used for *consultant* services *excluding* engineers and architects)

This Agreement made and entered into this ____ day of _____, 20__ by and between the City of Sedro-Woolley, a municipal corporation under the laws of the State of Washington, hereinafter referred to as "City" and _____, whose address is _____,

_____, hereinafter referred to as the "Contractor".

WHEREAS, the City desires to engage the Contractor to perform certain duties relating to professional services, and

WHEREAS, the Contractor has agreed to offer its professional services to perform said work, and

WHEREAS, the Contractor has represented and by entering into this Agreement now represents that it is fully qualified to perform the work to which it will be assigned in a competent and professional manner, to the standards required by City,

NOW, THEREFORE, IT IS MUTUALLY AGREED BETWEEN THE PARTIES:

The City hereby agrees to engage the Contractor and the Contractor hereby agrees to perform, in a satisfactory and proper manner, as determined by City, the services hereafter set forth in connection with this Agreement:

1. Scope of Services.

The Contractor agrees to perform in a satisfactory and proper manner, as determined by the City, as design phase services for the _____ Project as defined in Exhibit A attached hereto that are requested by the City of Sedro-Woolley.

2. Relationship of Parties.

The Contractor, its subcontractors, agents and employees are independent Contractors performing professional services for City and are not employees of City. The Contractor, its subcontractors, agents and employees, shall not, as a result of this Agreement, accrue leave, retirement, insurance, bonding or any other benefits afforded to City employees. The contractor, subcontractors, agents, and employees shall not have the authority to bind City any way except as may be specifically provided herein.

The Contractor represents that it is customarily engaged in an independently established trade, occupation, profession or business of the same nature as that involved in the contract of services, and that it maintains a principal place of business other than City's office that is eligible for a business deduction under IRS regulations, and that on the effective date of this agreement it assumes responsibility for filing, at the next applicable filing period, a schedule of expenses with the IRS for the services subject to this agreement, it has established all required tax accounts with state government agencies, has a Washington State Uniform Business Identifier number, and is maintaining a separate set of books and records reflecting all expenses and income items of its business.

3. Time of Performance.

The service of the Contractor is to commence

on or before _____

as soon as practicable after the execution of this Agreement shall be undertaken so as to ensure its expeditious completion in light of the purpose of this Agreement.

The service of the Contractor is to be completed

not later than _____

pursuant to the schedule set forth on Attachment C, Schedule of Work.

4. Standard of Care.

Contractor shall exercise the degree of skill and diligence normally employed by professional engineers or consultants performing the same or similar services at the time such services are performed.

5. Delays and Extensions of Time.

If either party is delayed at any time in the progress of providing services covered by this Agreement, by any causes beyond the party's control, the time for performance may be extended by such time as shall be mutually agreed upon by Contractor and City and shall be incorporated in a written amendment to this Agreement. Any request for an extension of time shall be made in writing to the other party.

6. Compensation and Schedule of Payments.

City shall pay the Contractor its hourly rates pursuant to the schedule set forth on **Exhibit B**.

The Contractor shall be paid monthly on the basis of invoices for compensation earned by the Contractor during the billing period, as agreed by the parties. Payment shall be made within ten (10) days after approval of the voucher by the City council.

Cost not to exceed \$_____ without prior approval of the City Supervisor.

7. Ownership of Records and Documents.

The written, graphic, mapped, photographic, or visual documents prepared by the Contractor under the scope of work of this Agreement are instruments of the Contractor's services for use by the City with respect to this project and, unless otherwise provided, shall be deemed the property of the City. The City shall be permitted to retain these documents, including reproducible camera-ready originals of reports, reproduction quality mylars of maps, duplicates of 35 mm slides, and copies in the form of computer files, for the City's use. The City shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data, drawings, images or other material prepared under this Agreement, provided that the Contractor shall have no liability for the use of the Contractor's work product outside of the scope of its intended purpose.

8. Termination.

The term of this agreement shall be from the date signed through **December 31, 201_**.

A. This agreement may be terminated by either party for reasonable cause, upon written notice to the other party. Reasonable cause shall include:

a) Material violation of this agreement.

b) Failure to maintain professional standards in the performance of services related to this agreement.

B. This agreement may be terminated without cause upon thirty (30) days notice by either party.

C. Termination of this agreement shall not relieve either party of their obligations under this agreement which accrues prior to the date of termination, or which, by their nature, is intended to survive completed performance of the scope of work, including the obligation of the City to pay for competent services performed prior to the date of termination.

9. Evaluation and Compliance with the Law.

The Contractor agrees to comply with all relevant, federal, state and municipal laws, rules and regulations, including laws governing equal employment opportunity, and prevailing or area standard wage laws, if applicable.

10. Joinder in Arbitration Proceedings.

If the City and any third party agree to binding arbitration as the method of dispute resolution between them and their claims or any of them arise out of or are related to Contractor's services, Contractor agrees to be joined in such arbitration proceeding as a party and that the Arbitrator(s) decision therein shall be final and binding on Contractor and judgment may be entered upon it in any court having jurisdiction thereof.

11. City Business and Occupation License.

Prior to performing work under this Agreement, Contractor shall secure a City of Sedro-Woolley Business and Occupation License.

12. Indemnification.

The Contractor shall indemnify, defend, and hold the City harmless from and against any claim, damages, losses, liability or expense arising out of its breach of contract or negligence.

The Contractor's duty to indemnify City shall not apply to liability for damages arising out of bodily injury to persons or damage caused to property caused by or resulting from the sole negligence of City or City's agents or employees.

The Contractor's duty to indemnify City for liability for damages arising out of bodily injury or damage to property caused by or resulting from the concurrent negligence of (a) City or City's agents or employees, (b) Contractor and Contractor's agents or employees, or (c) any third parties shall apply only to the extent of negligence of Contractor or Contractor's agents or employees.

The Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act. Title 51 RCW. Further, the indemnification obligation under this AGREEMENT shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts; provided Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against Contractor by City, and not include, or extend to, any claims by Contractor's employees directly against Contractor.

The Contractor's duty to defend, indemnify, and hold City harmless shall include, as to all claims, demands, losses, and liabilities to which it applies, City's personnel-related costs, attorneys' fees, and all other costs whether or not taxable by statute or court rule.

13. Insurance.

The Contractor shall provide proof to the City that it **and its subcontractors** are insured under **commercial general liability** and **professional liability** (or errors & omissions liability) insurance policies covering the work within the scope of this agreement, in adequate quantity to protect against legal liability arising out of contract activity, but no less than **\$1,000,000** per occurrence, **\$2,000,000** annual aggregate.

In the event that services delivered pursuant to this contract involve the use of vehicles, either owned or non-owned by the Contractor and its subcontractors, **automobile liability** insurance shall be required. The minimum limit for automobile liability is **\$1,000,000** per occurrence, using a Combined Single Limit for bodily injury and property damage. The Contractor shall provide proof to the City that it is insured under an automobile liability policy.

The Contractor agrees to name the City, its agents, and employees as additional insureds when obtaining liability insurance and to provide a **Certificate of Insurance** with proof of the **Additional Insured endorsement** to this effect within fifteen (15) calendar days of the agreement effective date. All of the Contractor's policies shall be primary to any other valid and collectible insurance. Consultant shall submit renewal certificates as appropriate during the term of the agreement.

14. Employment Security.

The Contractor shall comply with all employment security laws of the State of Washington, and shall timely make all required payments in connection therewith.

15. Amendments.

This Agreement shall not be altered, changed, or amended except by an instrument in writing executed by the parties hereto. Any changes in the scope of work or compensation shall be mutually agreed upon between the City and the Contractor and shall be incorporated in written amendments to this Agreement.

16. Scope of Agreement.

This Agreement incorporates all the agreements, covenants, and understanding between the parties hereto which are merged into this written agreement. No prior agreement or prior understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless set forth in this Agreement or written amendment hereto.

17. Ratification.

Acts taken pursuant to this Agreement but prior to its effective date are hereby ratified and confirmed.

18. Assignability.

This agreement is not assignable by either party, without written consent of the other party.

19. Notices.

Any notice given in connection with this agreement shall be given in writing and shall be delivered either by hand to the party or by certified mail, return receipt requested, to the party at the party's address stated herein. Any party may change its address stated herein by giving notice of the change in accordance with this paragraph.

20. Choice of Law/Venue.

Any dispute under this agreement or related to this agreement shall be decided in accordance with the laws of the State of Washington. Venue for any court proceeding arising under or related to this agreement shall be in Skagit County Superior Court.

21. Attorneys Fees.

The prevailing party in any litigation of any dispute arising out of this agreement shall be entitled to its actual attorneys fees incurred and all costs of such litigation (including expert witness fees) in addition to any costs otherwise taxable by statute or court rule.

22. Non-exclusive Agreement.

This agreement shall not prevent the City of Sedro-Woolley from entering into a contract with another person or firm for similar services.

23. MRSC Roster Registration.

The Contractor shall register or maintain registration on the MRSC Consultant Roster.

24. Washington State Department of Retirement Systems.

- A. Have any of the workers providing services to the City of Sedro-Woolley through your company retired under the 2008 early retirement factors? Yes No N/A
- B. Is your company owned by an individual who retired using the 2008 Early Retirement Factors? Yes No N/A

25. Debarment.

Contractor represents and agrees that it is not listed on any state or federal debarment list and further agrees that none of its sub-consultants are listed on any state or federal debarment list.

DATED this _____ day of _____, 201_.

CITY OF SEDRO-WOOLLEY
A Washington municipal corporation

By: _____
Mayor

Attest:

Finance Director

Approved as to Form:

City Attorney

CONTRACTOR:

Name of Professional Business

By: _____

APPENDIX B

2017 AFSCME CLASSIFICATION & MONTHLY SALARIES (Effective 4/1/2017)

| CLASSIFICATION | STEP A 00-06M | STEP B 07-12M | STEP C 13-24M | STEP D 25-36M | STEP E 37-48M | STEP F 49+M |
|---|------------------|------------------|------------------|------------------|-------------------|----------------|
| | 1.03 | | | | | |
| Utility Worker/Equipment Operator I Streets, Cemetery, Parks, Solid Waste | 3,624 | 3,804 | 3,992 | 4,192 | 4,402 | 4,623 |
| Utility Worker/Equipment Operator II Streets, Cemetery, Parks, Solid Waste | 3,756 | 3,943 | 4,143 | 4,351 | 4,568 | 4,797 |
| Lead Utility Worker/Equipment Operator Streets, Cemetery, Parks, Solid Waste | 3,979 | 4,181 | 4,386 | 4,606 | 4,837 | 5,078 |
| Foreman/supervisor Streets, Cemetery, Parks, Solid Waste | 4,871 | 5,114 | 5,369 | 5,638 | 5,920 | 6,216 |
| Custodian | 3,018 | 3,171 | 3,329 | 3,497 | 3,672 | 3,855 |
| Offender Work Program Supervisor (F/T) | 3,384 | 3,551 | 3,729 | 3,914 | 4,110 | 4,317 |
| Offender Work Program Supervisor (P/T) Hourly Mechanic (P/T) Hourly | 19.52 | 20.49 | 21.52 | 22.58 | 23.71 | 24.91 |
| | | | | | \$21.12 - \$32.87 | |
| Deputy Clerk | 3,384 | 3,551 | 3,729 | 3,914 | 4,110 | 4,317 |
| Accounting Clerk | 3,283 | 3,447 | 3,621 | 3,803 | 3,991 | 4,191 |
| Accounting Clerk /HR Assistant | 3,352 | 3,515 | 3,706 | 3,895 | 4,099 | 4,299 |
| Secretary Clerk | 3,144 | 3,300 | 3,466 | 3,639 | 3,819 | 4,012 |
| Permitting Technician | 3,283 | 3,447 | 3,621 | 3,803 | 3,991 | 4,191 |
| Public Works Assistant | 3,418 | 3,589 | 3,768 | 3,957 | 4,154 | 4,362 |
| Building Inspector | 3,303 | 3,468 | 3,642 | 3,823 | 4,016 | 4,215 |
| Engineering/Planning Technician | 3,448 | 3,624 | 3,804 | 3,992 | 4,192 | 4,402 |
| Collection Specialist WWTP OIT | 3,900 4,091 | 4,091 4,250 | 4,295 --- | 4,500 --- | 4,725 --- | 4,961 --- |
| Plant Operator | 00-12M | 13+M | | | | |
| Class I Plant | 4,500 | 4,725 | | | | |
| Class II Plant | 4,961 | 5,209 | | | | |
| Class III Plant | 5,469 | 5,742 | | | | |
| Lead Operator | | | | | | |
| Class II Plant | 5,209 | 5,469 | | | | |
| Class III Plant | 5,742 | 6,029 | | | | |
| Supervisor | 00-12M | 13-24M | 25+M | | | |
| Class III Plant | 6,330 | 6,647 | 6,979 | | | |

APPENDIX C

2017 NON-REPRESENTED MONTHLY SALARIES (Effective 1/1/2017)

| TITLE: | SALARY OR WAGE RANGE: |
|--|------------------------------|
| City Supervisor/City Attorney | \$ 9,809 Per Month |
| Public Works Director | \$ 9,126 Per Month |
| Finance Director | \$ 8,213 Per Month |
| Fire Chief | \$ 8,213 Per Month |
| Police Chief | \$ 8,213 Per Month |
| City Engineer | \$ 7,212 Per Month |
| IT Director | \$ 7,212 Per Month |
| Assistant Fire Chief-Operations | \$ 6,932 Per Month |
| Assistant Fire Chief-Training | \$ 6,932 Per Month |
| Planning Director | \$ 6,932 Per Month |
| Librarian | \$ 5,560 Per Month |
| Court Clerk | \$ 4,523 Per Month |
| Assistant Librarian | \$ 3,932 Per Month |
| Engineering Technician/Project Inspector | \$ 3,636 – \$4,000 Per Month |