

**Washington COUNTY, TEXAS
REQUEST FOR PROPOSALS
Wage & Compensation Study**

Proposal Release Date: May 8, 2019

Proposal Return Date and Time Deadline: May 20, 2019 at 5:00 p.m.

Issued By: Washington County Human Resources

LEGAL NOTICE

Notice is hereby given that sealed proposals will be received by the office of the Washington County, County Clerk until May 20, 2019 at 5:00 in the afternoon.

Proposals must be enclosed in a SEALED PACKAGE, bearing the NAME AND ADDRESS OF THE BIDDER AND THE NAME OF THE ITEM PROPOSAL ON THE OUTSIDE OF THE ENVELOPE.

Proposals may be hand delivered, at the place specified, on or before the hour named. The County will not assume responsibility for proposals forwarded by mail and no proposal will be accepted after the time specified. Consideration of the proposal may be reserved for a period of 90 days before award of the contract is made.

Bidders are required to comply with all requirements of applicable laws of the State of Texas and be authorized to conduct business in the State.

Washington County reserves the right to reject any or all proposals, to waive any informality in proposals and to accept the proposal that, in the opinion of Washington County, is in the County's best interest. The award will not necessarily go to the Proposal with the lowest price, but to the Proposal that best demonstrates the ability to fulfill the requirements of the Request for Proposal and Specifications.

PURPOSE AND BACKGROUND

A. Purpose

The County of Washington "County" seeks a qualified person or company to conduct a wage and compensation study that results in a pay program that is fair, equitable, and competitive with both public and private employers in the surrounding geographic market area from which the County recruits employees. The program must be supportive of the County's compensation philosophy and be competitive with area markets in order to attract, motivate, and retain quality employees.

The goal of the County is to maintain a sound process providing a classification and pay structure that is fair, equitable, and systematic with a compensation plan comparable with other governmental jurisdictions and the private sector. We wish to enhance the County's ability to attract, motivate, and retain quality employees to efficiently and cost-effectively deliver services and programs to the citizens of the County.

B. Background

The County has a population of over 33,718 and is located halfway between Houston and Austin on Highway 290, renowned as the "Birthplace of Texas". The county seat is Brenham. The county is part of the Brazos Valley and was created in 1835 as a municipality of Mexico, organized as a county in 1837. The County comprises the Brenham, Texas Micropolitan Statistical Area, which is also included in the Houston-the Woodlands, Texas Metropolitan Statistical Area. Bordering counties are Brazos, Grimes, Waller, Austin, Fayette, Lee and Burleson.

On January 1, 2011 a group step salary pay schedule plan was adopted with separate schedules for the Sheriff's Office, Jail, Emergency Medical Services, Road and Bridge and all others. In 2018 the step plan was abandoned in favor of a broad band system. Similar divisional schedules are maintained to date. The schedule was divided into Elected Officials (A), Public Safety (B), Infrastructure Development & Safety Sensitive (C), Courts & Judicial Systems (D) and All Others (E). Historically the County has awarded around 3% per annum in wage increases. There have been years where no increase has been awarded, one year a flat rate was awarded and other specific adjustments were made based on market driven needs to maintain competitiveness in the labor market. Some adopted changes created compression within grades and schedules. The County has also recently experienced difficulty in filling and/or retaining certain professional and technical fields of expertise such as Information Technology, Attorney's, court interpreters and reporter and paramedics. Entry level personnel in public safety have also moved into a difficult to recruit and retain status. We are finding in some positions, our salaries are not able to compete with the relevant market.

A thorough compensation and classification study and analysis of the County and those organizations that draw on a shared labor market should indicate the County's current position and its ability to recruit and retain talented employees to provide quality services.

The following is a list of County departments and agencies:

Administration

- County Judge
- E911 – County Communications
- Information Technology
- Commissioners' Court
- County Clerk
- Veterans' Service Office
- County Auditor

Judicial

- District Court
- District Clerk
- County Court at Law
- Justice Courts
- County Attorney

Election

Financial

- Tax Assessor-Collector
- County Treasurer
- Human Resources

Facilities

- County Facilities

Public Safety

- Constables
- Sheriff
- Department of Public Safety
- County Jail
- Emergency Management

Fairgrounds

Conservation

- Extension Services

Road and Bridge

- Addressing and Mapping
- Environmental

District Attorney

Emergency Medical Services

The County has an approximate total of 250 employees relative to scope of work. Employees are currently classified and compensated through a pay grade system. The County does not have an evaluation process (Point-Factor System or similar) to generate rates of pay. Pay classifications are generally rated based on essential function requirements and criticality of position responsibility for the County. Internal equity considerations are also considered when determining the wage rate.

The Elected Official schedule contains 20 grade levels. The Public Safety – Sheriff's Office contains 9 grade levels; Jail contains 13 grades; EMS contains 11 grades; E911 Communications contains 8 grades; Department of Public Safety contains 1 grade; Information Technology contains 3 grades; Emergency Management contains 1 grade; and Constable contains 1 grade. The Infrastructure Development and Safety Sensitive – Road

and Bridge Department contains 10 grades; Environmental Health Department contains 2 grades; the Fairgrounds Department contains 4 grades and the County Maintenance Department contains 3 grades. The Courts and Judicial System – District Court Staff contains 4 grades; the County Court Staff contains 2 grades; the County Attorney contains 4 grades; the District Clerk contains 2 grades; the County Clerk contains 2 grades; the Justice Court contains 3 grades; and the District Attorney contains 5 grades. All Others – Tax Assessor/Collector contains 2 grades; Treasurer contains 2 grades; Veterans' Affairs contains 2 grades; County Auditor contains 2 grades; Human Resources contains 2 grades; County Judge contains 3 grades and the Extension Service contains 5 grades.

New employees are hired at the entry rate of the grade (with a +6% latitude with documented justification) unless otherwise approved in advance by Commissioners' Court. Further increases may be authorized annually as approved by Commissioners' Court for the fiscal year. All County employees are paid biweekly, every other Friday. Employees are not permitted to borrow on their earnings and any hard checks will not be issued before 3 PM the day before the pay date.

QUALIFICATIONS

Proposer shall demonstrate:

- 1) Expertise in compensation administration, salary survey methods, statistical analysis, and costing. A minimum of three (3) years performing wage and compensation studies for government agencies.
- 2) Knowledge of job analysis and evaluation as well as market-based systems.
- 3) Knowledge and expertise with public sector compensation practices.
- 4) Resources to manage the proposed workload described in the RFP within the time constraints of the County. The consultant shall complete the study within six months. Services are expected to commence June 2019.
- 5) Certified Compensation Professional (CCP) preferred
- 6) Consultant must be licensed to perform services in Texas.

SCOPE OF WORK

The Consultant will evaluate total compensation against the selected comparable and competing employers as well as National Compensation Survey data for State and Local Government compiled by the U.S. Department of Labor Bureau of Labor Statistics. The total compensation factors to be evaluated shall include the following:

- a) Salaries and Wages
- b) Evaluation of other pertinent, prudent and necessary related information to produce an accurate, useful and reliable study for the County.

Compensation Structure Evaluation and Recommendations: The Consultant will evaluate the existing compensation structure and update or design a system to achieve the goals and objectives of the County. Factors to be evaluated include:

- a) Compression Analysis: Examine the equity of pay among present full-time, part-time, and seasonal employees based on qualification, experience, responsibilities, and tenure. Identify problem areas within the internal compensation system, and propose implementation methods to correct identified problems.

- b) Evaluate the need to include compensation policies and procedures for: On-call and shift differential compensation (what positions/classes of positions and amounts), hiring incentives, career ladder position recommendations, and any other monetary incentives (e.g. certification pay, education pay, special pay band increases).
- c) Review position titles (including supervisory/management) and recommend a titling structure which defines consistent levels of responsibility across the organization and review County positions for appropriate classification assignments based on internal county-wide equity and pay grade assignment.
- d) Recommend salaries that are competitive with local external public and private sector labor market competitors and ensure internal equity.
- e) Provide a report between survey data and current pay structure with alternatives and estimates of fiscal impact at various percentage relationships to prevailing market rates.
- f) Provide the County with information and advice on new developments and innovations in Public Sector compensation. Discuss and recommend pay delivery systems: Merit pay, pay-for-performance, steps or open ranges, other, with what frequency do base pay increases occur, and maximum percent base pay increase for the next 12 months. Explain the advantages and disadvantages of implementing a "pay-for-performance" or "performance management" system of compensation and performance evaluation.
- g) Provide the County with a written implementation/guidance plan.

The Consultant will design and implement a strategy and provide plan options for an updated compensation system with the lowest financial impact on the County's operating process. Implementation strategies will include calculated costs of implementing the plan (including any alternatives proposed). The plan will identify appropriate compensation adjustments and recommend policies and procedures on how to address the following areas:

- a) An analysis, ranking, and assignment of each job to an appropriate salary grade level to ensure fairness and internal equity. The Consultant will include a recommendation for positions deemed to be undervalued, or overvalued, by the current classification system;
- b) Consistent salary placement of employees who are newly hired externally and for advancement within, and between pay ranges resulting from transfers and/or promotions. Additionally, recommendations for compensation adjustments due to temporary/interim assignments are to be included.
- c) Establish appropriate benchmarking standards and include a comparison and analysis of salaries and wages of like or similar jobs of comparable State and local government as well as private employers for which the County competes for labor supply and/or organizations with similar positional or organizational characteristics.
- d) Pay administration policies should include, but not be limited to, policies regarding movement through ranges, adjustments within pay grades, additional duties adjustments (temporary or permanent), reclassifications, promotions, transfers, demotions, career ladders, etc.
- e) Develop a classification system that facilitates ongoing compensation analysis and reporting based on similarly-situated employees, similar skills, qualifications, responsibilities, and pay, using job family groupings and EEO job categories that comply with EEOC guidelines for government employers.

- f) If necessary, recommendations for multiple salary structures within the County system to accommodate specialized labor markets such as public safety (207K) employees, etc.
- g) Provide options for compensating employees who are deemed to have met the maximum in their salary range.
- ~~h) Analysis of County's fringe benefit package for senior leadership and administrative/professional staff. Provide recommendations for benefit package revisions or enhancements, as appropriate.~~
- i) Prepare a plan, or alternative plans, for the implementation of salary recommendations, including calculation of detailed cost estimates of implementation for each alternative. The goal would be to permit implementation of the classification and pay plan at a level compatible with the County policies, capacity of funding, and employee needs. If pay and benefit recommendations are close to the County's ability to fund, alternative plans may not be required.
- j) Develop recommendations and suggest an instrument for the ongoing internal administration and maintenance of the proposed classification/compensation plan. The system must be effective, legally defensible, flexible and easily administered.
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- l) Recommended classification/compensation systems must meet all legal requirements, be nondiscriminatory and provide compliance with all pertinent Federal, State, and Local requirements (i.e. FLSA, ADA, EOE/AA, etc.).
- m) The Proposer shall provide Human Resources with recommended policies and procedures to ensure that, once the results of the compensation study have been implemented, the results may be internally maintained and updated appropriately. Any recommendations pertaining to a maintenance process must be supported by relevant staff training and software necessary to maintain and revise the system internally.
- n) The implementation of such a plan may be over a 12 to 24 month period beginning in June 2019. If the Consultants find they can recommend implementation as a two-step process to reduce the impact of the initial cost to the County, we ask that they identify that option.
- o) The consultant shall include an implementation and schedule relative to current employees.

All work provided by the consulting firm under contract to the County shall belong exclusively to the County.

PROPOSAL FORMAT

Proposals should provide a straightforward and concise description of the respondent's capabilities to satisfy the requirements of the RFP. It should explain the work to be performed, how the work will be accomplished and the results which can be expected. Emphasis should be placed on completeness and clarity of content. Responses of excessive length are discouraged and should not exceed 50 pages. To be considered, all proposals must contain the following information with an emphasis on adding value to the County. Proposals not addressing the following items may be considered non-responsive.

Each proposal should be organized to clearly address the following requirements, as a minimum:

Availability, credentials and related experience:

- a) Cover Letter – On your company letterhead, list the full name, address, telephone and fax numbers of your firm and if applicable, of the office from which the services are to be provided. Designate the person to serve as project manager. State the number of years the individual or company has been in the business of providing wage and compensation studies for government agencies. State that the proposal will be valid for 90 days after submission date. The letter must be signed by an individual authorized to enter into any contract with the County.
- b) List key staff that will be assigned to this project. Include specific information on the staff's experience with public sector compensation studies. Explain in detail how the project manager and key staff will be assigned to this project. Identify the availability of the project manager and key staff to address any questions or concerns as well as to attend meetings to present the finding to the Commissioners and key county staff. Also state that these key individuals will work from the beginning of the project to its conclusion, unless determined by the County that any individual is performing unsatisfactorily and shall be replaced at the County's request.
- c) Provide information on specific experience with successful outcomes in conducting salary surveys and making presentations to public bodies. List the name or names of the persons in your firm authorized to negotiate the proposed contract associated with this RFP.
- d) Provide an overview of your firm's services and experience in performing compensation studies. Promotional material should NOT be included.
- e) Has the firm had any contracts terminated prior to the end of contract? If so, explain in detail.
- f) Has litigation ever been filed against your firm? If so, explain in detail. Is there litigation against your firm currently in progress? If so, explain in detail.

Statement of Methods and Procedures:

- a) Provide a statement describing the Scope of Work as you understand it, and provide a detailed breakdown and description of the specific steps, services, methods, and study products that will be employed to gather the data, analyze the findings, develop recommendations, and coordinate implementation as requested. Firms may elect to include in this section any innovative methods or concepts that might be beneficial to the County as long as the minimum requirements are met.
- b) Describe your firm's understanding of economic conditions and regional labor market.
- c) Define the process for communications with managers, supervisors, and employees during each step of the study. Include meetings with, and presentations to, employees and County administration officials, including department directors and Human Resources departmental staff.

- d) Describe the interaction between the consultant and staff during data collection and review phase of the study, and include the percentage and/or number of employees who will participate in job analysis interviews with the consultant
- e) Describe the process for employees who have inquiries or appeals.
- f) Suggest methodology to maintain the integrity of the proposed compensation and classification system after the initial phase-in period has expired.

- g) Present information to Commissioners Court and County Administration as needed.
- h) Recommendations shall be submitted in hard copy and electronic formats, using Microsoft Office products that allow the County to update or change any information.
- i) Provide pay plan implementation support.

Structure and Content of Work Product:

- a) Describe the way in which the work product will be structured and presented upon completion.

Project Time Table:

- a) Provide the anticipated start and completion date for the project and estimated dates for the fulfillment of each work phase and task. This proposed project timetable will be used as the basis for the project timetable to be included in the project contract. The County anticipates that the successful consultant will be able to begin this project on or before July 1, 2019.
- b) Describe techniques your firm would use to keep the County abreast of the progress of the project and how your firm will meet the proposed timeline.

References:

- a) Include a list of Agency names, addresses, contact name and telephone numbers or e-mail of at least five (5) references of the same or larger size and complexity as the County who will attest to the successful completion and implementation of a classification and compensation study by your firm during the past 3 years. At least three references should be governmental entities similar to the County.

Cost of Services:

- a) Provide a breakdown of the costs based on the following items:
 - a. Salaries and Wages Analysis and Recommendations
 - b. Implementation of each recommendation
- b) The breakdown should also include, task to be performed, timeline, estimated number of hours for completion, and the not-to exceed cost for that task. Do not include cost of "additional services" outside the scope of work in response to this proposal.
- c) The County will have the option to select the services based on funding availability.

EVALUATION CRITERIA

- 1) Project Understanding (Maximum 15 points)
- 2) Relevant Firm Experience and Capabilities (Maximum 15 points)
- 3) Experience and Ability of Staff (Maximum 15 points)
- 4) Schedule (Maximum 10 points)
- 5) References (Maximum 10 points)

- 6) Past Performance: Volume of past 3 years of contracts with government agencies (Maximum 10 points)
- 7) Price Proposal –Cost for Services (Maximum 25 points)

TOTAL: 100 POINTS

PRESENTATION:

- a) The County evaluation committee may require high ranking proposers to participate in presentations and to submit technical or other additional information to its proposal as may result from the presentations.

NEGOTIATIONS

Negotiation of contract for services shall follow the selection process with the top ranked firm. Should a satisfactory contract not be achievable with top ranked proposer, then the next ranked proposer shall be contacted and negotiations shall begin with each highest ranked firm and so on. The County may require selected proposer to submit technical or other additional information to its proposal as may result from negotiations.

AWARD

The County evaluation committee will recommended the highest ranked proposer to Commissioners' Court for award.

The County Commissioners reserves the right, at their sole discretion, to reject any and all proposals. Any contract awarded for services shall not become effective until approved by the County Commissioners.