



Consent _____
Staff/Consultant Reports _____
Agenda Item_Handout 8D
Date ___ June 14, 2018

Agenda Summary Report

To: Chris DeGabriele, PE, Interim General Manager *CD*
From: Susan McGuire, Administrative Services Manager *SM*
Mtg. Date: June 14, 2018
Re: Approve Award of Contract for Classification and Compensation Study

BACKGROUND:

At the April 26, 2018 Board meeting, the Board approved issuing a Request for Proposals to conduct a Classification and Compensation Study. Staff identified five firms to which it sent the Request for Proposals; three firms submitted proposals. There are:

1. CPS HR Consulting
2. Koff & Associates
3. Segal Waters Consulting

The HR Subcommittee and staff reviewed the proposals for the approach, timing and cost of the engagement. Staff's estimate for the cost of the project was \$15,000 to \$25,000. The proposal responses ranged in fees from \$30,290 for Koff & Associates to \$48,000 for Segal Waters. Based on these factors, the recommendation is to award the contract to Koff & Associates due to the following factors:

1. Approach to the engagement including outreach and engagement efforts with staff to explain the process and address any questions or concerns that arise.
2. Familiarity with local comparable agencies.
3. Time to complete the project within six months.
4. Cost of the proposal.

HR subcommittee and staff members contacted several references for Koff & Associates to inquire about the other agency's experience working with them. All of the other agencies recommended Koff & Associates based on the results of the engagements. They also stated that Koff & Associates performed the tasks within budget.

STAFF RECOMMENDATION:

Board approve awarding the contract for the Classification and Compensation Study to Koff & Associates.

FISCAL IMPACT:

\$30,290, budgeted.

PERSON TO BE NOTIFIED:

Georg Krammer, Koff & Associates.



May 21, 2018

Comprehensive Classification and Total Compensation Study Proposal

Las Gallinas Valley Sanitary District

Submitted by:

Koff & Associates

GEORG S. KRAMMER
Chief Executive Officer

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May 21, 2018

Ms. Susan McGuire
Administrative Services Manager
Las Gallinas Valley Sanitary District
300 Smith Ranch Road
San Rafael, CA 94903

Dear Ms. McGuire:

Thank you for the opportunity to respond to your Request for Proposals for a **Comprehensive Classification and Total Compensation Study**, which includes position review and evaluation, and compensation policy and plan design, for the **Las Gallinas Valley Sanitary District** ("District"), to be completed in two (2) phases by March, 2019. We are most interested in assisting the District with this important study and feel that we are uniquely qualified to provide value to your organization based on our experience working with other special districts, cities, counties, JPAs, and non-profit agencies throughout California, and of course our prior experience providing services to the District.

Koff & Associates is an experienced Human Resources consulting firm that has been providing human resources consulting services to special districts, courts, educational institutions, cities, counties, and other public agencies for thirty-four (34) years. The firm has achieved a reputation for working successfully with management, employees, and governing bodies. We believe in a high level of dialogue and input from study stakeholders and our proposal speaks to that level of effort. That extra effort has resulted in close to *100% implementation* of all of our classification and compensation studies.

Koff & Associates ensures that each of our projects is given the appropriate resources and attention, resulting in a high level of quality control, excellent communication between clients and our office, commitment to meeting timelines and budgets, and a consistently high-caliber work product.

As Chief Executive Officer of the firm, I would assume the role of Project Director and be responsible for the successful completion of each of the two phases of this project. I can be reached at our Berkeley address and the phone number listed on the cover page. My email is gkrammer@koffassociates.com.

This proposal will remain valid for at least ninety (90) days from the date of submittal. Please call if you have any questions or wish additional information. We look forward to the opportunity to again provide professional services to the Las Gallinas Valley Sanitary District.

Sincerely,



Georg S. Krammer
Chief Executive Officer



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I. QUALIFICATIONS & EXPERIENCE

Koff & Associates (“K&A”) is a full-spectrum, public-sector human resources consulting firm that was founded in 1984 by Gail Koff; K&A has been assisting special districts, cities, counties, other public agencies, and non-profit organizations with their classification and compensation needs for thirty-four (34) years.

We are a private California corporation, #2785458, and our legal name is Kaneko & Krammer Corp. dba Koff & Associates, Inc. We were incorporated on September 23, 2005; the firm’s two principals are Georg Krammer, CEO, and Catherine Kaneko, President. Our headquarters are in Berkeley, CA, and we have satellite offices in Southern California, the Central Valley, and the Sacramento Region. We are a California State-certified Small Business Enterprise, and through the County of Alameda, we are also a locally certified Local, Small Local, and Very Small Local Business Enterprise.

We are familiar with the various public sector organizational structures, agency missions, operational and budgetary requirements, and staffing expectations. We have extensive experience working in both union and non-union environments (including service as the management representative in meet & confer and negotiation meetings), working with Boards of Directors, Boards of Supervisors, Boards of Trustees, Merit Boards, City Councils, County Commissions, and Joint Power Authorities.

The firm’s areas of focus are classification and compensation studies (approximately 70% of our workload); organizational development/assessment studies; performance management and incentive compensation programs; development of strategic management tools; policy/procedure development and employee handbooks; training and development; executive search and staff recruitments; public agency consolidations and separations; Human Resources audits; and serving as off-site Human Resources Director for smaller public agencies that need the expertise of a Human Resources Director but do not need a full-time, on-site professional.

Without exception, all of our classification and compensation studies have successfully met all of our intended commitments; communications were successful with employees, supervisors, management, and union representatives; and we were able to assist each agency in successfully implementing our recommendations. All studies were brought to completion within stipulated time limits and proposed budgets.

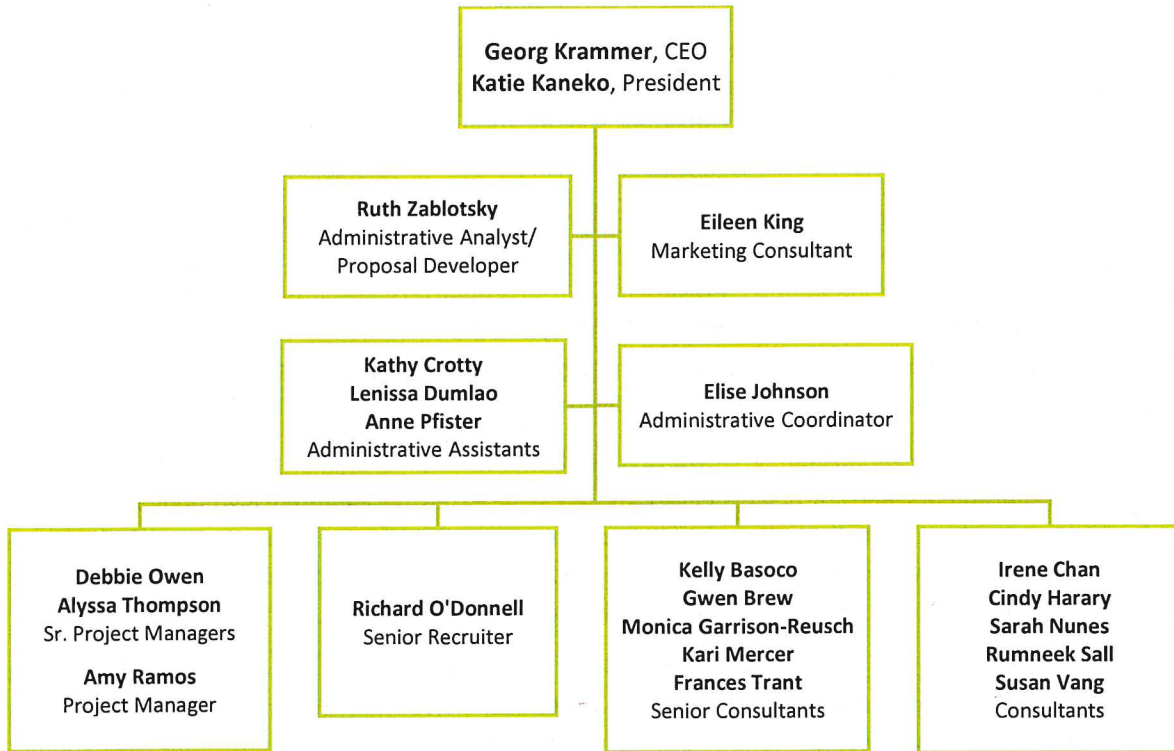
Our long list of clients is indicative of our firm’s reputation as being a quality organization that can be relied on for producing comprehensive, sound, and cost-effective recommendations and solutions. K&A has a reputation for being “hands on” with the ability and expertise to implement its ideas and recommendations through completion in both union and non-union environments.

K&A relies on our stellar reputation and the recommendations and referrals of past clients to attract new clients. Our work speaks for itself and our primary goal is to provide professional and technical consulting assistance with integrity, honesty and a commitment to excellence. We are very proud of the fact that we have not had any formal appeals in our entire history, working with hundreds of public agency clients and completing hundreds of classification and/or compensation, and other types of studies.



Comprehensive Classification & Total Compensation Study Proposal Las Gallinas Valley Sanitary District

Our entire team consists of twenty-two (22) employees as shown below in our organizational chart.



No subcontractors will be assigned to this study.

Team Member Qualifications:

All members of our team have worked on multiple comprehensive classification and total compensation studies and are well acquainted with the wide array of public sector compensation structures, classification plans, as well as the challenges and issues that arise when conducting studies such as this one for the District.

Following are short biographies of the specific staff who will be assigned to this study:

**Georg Kramer, M.B.A., S.P.H.R.
Chief Executive Officer**

Georg brings close to twenty (20) years of management-level human resources experience to Koff & Associates with an emphasis in classification and compensation design; organizational development; market salary studies; executive and staff recruitment; performance management; and employee relations, in the public sector, large corporations and small, minority-owned businesses.

After obtaining a Master of Arts in English and Russian and teaching credentials at the University of Vienna, Austria, Georg came to the United States to further his education and experience and attained his



Comprehensive Classification & Total Compensation Study Proposal Las Gallinas Valley Sanitary District

Master of Business Administration from the University of San Francisco. After starting his HR career in Wells Fargo's college recruiting department, he moved on to HR management positions in the banking and high-tech consulting industries.

With his experience as a well-rounded senior HR generalist, his education in business and teaching, and his vast experience with public sector HR programs and functions, Georg's contribution to K&A's variety of projects greatly complements our consulting team. Georg joined K&A in 2003 and has been the firm's Chief Executive Officer since 2005.

As the point of contact for this project, Georg will serve as the Project Director for this Classification and Compensation Study. He will coordinate all of K&A's efforts, will attend all meetings with the District, and will be responsible for all work products and deliverables.

Alyssa Thompson, Ph. D. Senior Project Manager

Alyssa brings with her eleven (11) years of human resources experience in classification and compensation analysis and development, performance management, affirmative action program development, and recruitment. Alyssa also has experience in designing and conducting quantitative and qualitative research studies.

Since joining the firm in 2007, Alyssa has led and worked on well over two hundred (200) classification, compensation, organizational assessment, and recruitment projects for cities, counties, and special districts, a few of which are:

- **Cities:** American Canyon, Anaheim, Bellflower, Claremont, Concord, Fremont, Madera, Monterey, Orange, Sacramento, San Diego, and Santa Barbara.
- **Counties:** Bernalillo (New Mexico); Placer, San Joaquin, San Mateo, Tehama, and Tuolumne.
- **Special Districts:** Alameda County Transportation Commission, Berkeley Unified School District, Central Contra Costa Sanitary District, Dublin San Ramon Services District, East Bay Municipal Utility District, Foothill-DeAnza Community College District, Housing Authority of the County of Alameda, Housing Authority of the County of San Bernardino, Metropolitan Transportation Commission, Midpeninsula Regional Open Space District, Mid-Peninsula Water District, Mount San Antonio College, Northern California Power Agency, Oakland Housing Authority, Orange County Sanitation District, SACOG (Sacramento Area Council of Governments), San Diego Housing Commission, Santa Clara County Housing Authority, Santa Clara Valley Water District, Superior Court of California-County of Orange, Vallejo Flood and Wastewater District (previously called Vallejo Sanitation and Flood Control District), and Zone 7 Water District.



Comprehensive Classification & Total Compensation Study Proposal Las Gallinas Valley Sanitary District

She earned a Bachelor's degree in Psychology with a minor in Sociology-Organizational Studies from the University of California, Davis, and a Ph.D. in Organizational Psychology from Alliant International University.

Together with Georg, Alyssa will serve as the Co-Project Director for this project; she will help coordinate all of K&A's efforts, will attend all meetings with the District, and will be responsible for work products and deliverables, as well as provide consultant support throughout the effort, including classification analysis, interviews with employees and management, compensation analysis, internal job analysis, development of recommendations, and implementation strategies.

Irene Chan, B.S. **Consultant**

Irene has over thirty (30) years of professional experience in finance and accounting for a wide variety of private sector industries and non-profit organizations, including sixteen (16) years in a management role. As Director of Finance and Administration, Irene gained over seven (7) years of experience in the Human Resources field. Her experience includes payroll and compensation administration, benefits analysis, budgeting and forecasting, financial reporting, and establishment of financial procedures and controls. Irene also developed extensive analytical skills as a result of her many years in the financial world.

Since joining K&A, Irene has worked on Classification and/or Compensation Studies for:

- **Cities:** Arroyo Grande, Coachella, and Santa Barbara.
- **Counties:** El Dorado, and Merced.
- **Special Districts:** AC Transit, Alameda County Transportation Commission, California State Auditors Office, Central Fire Protection District of Santa Cruz County, El Dorado County Transit Authority, Foothill-DeAnza Community College District, Livermore Area Recreation & Park District, Mid-Peninsula Water District, Santa Clarita Valley Water Agency, Superior Court of the County of San Joaquin, and Western Riverside Council of Governments.

Irene earned her B.S. degree in Business Administration with an emphasis on Accounting at San Francisco State University.

Irene will provide consultant support throughout the project, including classification analysis, interviews with employees and management, compensation analysis, internal job analysis, staffing analysis, development of recommendations, and implementation strategies.

Susan Vang, B.S. **Consultant**

Susan has over four (4) years of human resources consulting experience in classification and compensation, recruitment and selection, and employment testing for the public sector.



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Susan has experience providing technical support on a variety of classification and compensation projects including City of El Segundo, Counties of Sonoma, Lake, and Madera. In addition, Susan worked on the Merit System Services (MSS) contract with the California Department of Human Resources, providing recruitment and selection support to twenty-seven (27) California County Departments of Social Services and Child Support Services.

Since joining K&A, Susan has worked on studies for the following:

- **Cities:** Morgan Hill, Oakland, Piedmont, Santa Barbara, Vallejo, and the Los Altos (Police Officers Association).
- **Special Districts:** CASA (California Association of Sanitation Agencies), Foothill-DeAnza Community College District, Hartnell Community College, MTC (Metropolitan Transportation Commission), Riverside Community College District, Santa Clara Valley Water District, and Vallejo Flood and Wastewater District.

A Northern California native, Susan earned her B.S. degree in molecular environmental biology from the University of California, Berkeley.

Susan will provide consultant support for this project, including classification analysis, interviews with employees and management, compensation analysis, internal job analysis, development of recommendations, and implementation strategies.

References:

Agency & Project	Contact
City of American Canyon Total Compensation Study, completed 2016.	Ms. Laci Kolc Human Resources Manager (707) 647-5306 4381 Broadway St., Suite 201 American Canyon, CA 94503 lkolc@cityofamericancanyon.org
City of Calistoga Limited Class & Total Comp Study (currently nearing completion). Classification and Compensation Study, completed 2015.	Ms. Gloria Leon Administrative Services Director (707) 942-2803 1232 Washington Street Calistoga, CA 94515 gleon@ci.calistoga.ca.us
Castro Valley Sanitary District Compensation studies completed in 2015, 2012, 2007, and 2004. Solid Waste Function Study, completed 2006. Classification Study, completed 2003.	Mr. Roland Williams General Manager (510) 537-0757 21040 Marshall Street Castro Valley, CA 94546 roland@cvsan.org



Comprehensive Classification & Total Compensation Study Proposal
Las Gallinas Valley Sanitary District

<p>Central Marin Sanitation Agency (CMSA)</p> <p>Compensation Study, completed 2014 (other comp studies conducted in 2012, 2013).</p> <p>K&A has served as their off-site HR Director since 1987. Human Resource Rules and Regulations. Also, we currently are responsible for all recruiting efforts at CMSA, both staff and executive level.</p>	<p>Mr. Jason Dow General Manager/Chief Engineer (415) 459-1455 X 145 1301 Anderson Drive San Rafael, CA 94901 jdow@cmsa.us</p>
<p>Fairfield-Suisun Sewer District</p> <p>Compensation Study, completed 2016.</p>	<p>Ms. Helen Gaumann Director of Administrative Services (707) 428-9145 1010 Chadbourne Road Fairfield, CA 94534 hgaumann@fssd.com</p>
<p>Mt. View Sanitary District</p> <p>Classification and Compensation Study, completed 2017.</p>	<p>Mr. Neal Allen District Manager (925) 228-5635 3800 Arthur Road Martinez, CA 94510 Nallen@mvsd.org</p>
<p>Napa Sanitation District</p> <p>Districtwide Classification Study, completed 2017.</p> <p>Ongoing since 1998: Class and Comp Studies; Policy Procedures, Employee Handbook, Recruitment efforts, HR Assistance.</p>	<p>Ms. Cheryl Schuh HR Officer (707) 258-6003 1515 Soscol Ferry Road Napa, CA 94559 cschuh@napasan.com</p>
<p>Oro Loma Sanitary District</p> <p>General Manager Compensation Study, completed 2017.</p> <p>Total Compensation Study, completed 2016.</p>	<p>Ms. Andreea Simion, IPMA-SCP Administrative Services Manager (510) 276-4700 2655 Grant Avenue San Lorenzo, CA 94580 asimion@oroloma.org</p>
<p>City of Sausalito</p> <p>Citywide Classification and Total Compensation Study, completed 2012.</p>	<p>Ms. Susan Patterson HR Manager (415) 289-4105 420 Litho St. Sausalito, CA 94965 spatterson@ci.sausalito.ca.us</p>
<p>Truckee Sanitary District</p> <p>Various Classification and Compensation Studies, completed 2005, 2008, 2014, 2015, and 2017.</p>	<p>Mr. Blake Tresan General Manager (530) 550-3804 12304 Joerger Drive Truckee, CA 96161 rruby@truckeesan.org</p>



Comprehensive Classification & Total Compensation Study Proposal Las Gallinas Valley Sanitary District

Organizational Study, completed 2016. HR Policy Handbook in 2014, and a General Manager recruitment.	
Vallejo Flood and Wastewater District (previously named Vallejo Sanitation and Flood Control District) Classification Study (HR Technician), completed 2017.	Ms. Melissa Morton District Manager (707) 644-8949, Ext 211 450 Ryder Street Vallejo, CA 94590 mmorton@vsfcd.com



II. SCOPE OF WORK

Executive Summary:

Las Gallinas Valley Sanitary District (“District”) desires human resources consulting assistance to conduct a comprehensive, objective analysis and review of the current classification and compensation practices of the District, to commence in June, 2018, and to be completed in March, 2019. The last study was conducted in 2014.

The District currently has approximately twenty-one (21) full-time equivalent positions within (4) departments. There are thirteen (13) active job descriptions, and two (2) proposed job descriptions. Seven (7) of the active job descriptions cover multiple classifications, allowing for flexible staffing within a job series. The District wishes to add new employees to the two (2) new classes in the next fiscal year. Further, the District desires several incremental reporting and education sessions with the two (2) employee bargaining groups related to classification matters, and this will comprise Phase I.

The Compensation Analysis (salary plus benefits, or Total Compensation) will comprise Phase II of the project.

The overall purpose of this two-phase study is to recommend changes that result in equitable, competitive, consistent, and legally defensible classification and pay practices that will enrich the attraction and retention of qualified individuals as well as enhance opportunities for growth and professional development; evaluate the current employee benefit and compensation plan against local and regional markets, and comparable employers; identify and recommend changes to correct any improperly classified employees, and to evaluate compensation compared to current market conditions.

The project’s first level of effort, Phase I, is to initially develop an updated and well-structured classification system and classification descriptions for all study positions that are legally compliant (including Fair Labor Standards Act (“FLSA”) and Americans with Disabilities Act (“ADA”) requirements), internally aligned, reflective of contemporary standards, and accurately descriptive of current roles, responsibilities, duties, and qualifications. The classification analysis process includes orientation and briefing sessions with employees, employee representation, management, Human Resources, and other stakeholders, as appropriate; the completion of a position description questionnaire by employees; interviews with employees in each study classification; and interviews with supervisors and management to address any classification issues. All participating employees will be allocated to an appropriate classification; draft classification descriptions will be developed, and sent back to the District and incumbents for additional feedback and concurrence.

A second level of effort, Phase II, will be to review the District’s compensation structure for the studied classifications and to conduct a total compensation market survey (salaries plus benefits) using a set of appropriate comparator agencies. The identification (or confirmation of the historical list) of comparator agencies, benchmark classifications, and benefits to be collected is an iterative process that includes all stakeholders. We have found this open discussion philosophy to be critical to our success for organizational buy-in. Once the external data development is completed, we will make specific recommendations for



internal equity for non-benchmarked classifications and classifications without a large enough market sampling.

The compensation study will contain specific recommendations regarding the integration of all study classifications into the District's compensation structure, with the goal of developing a clearly designed, internally equitable format that is flexible for career opportunity and future growth. Our study will make recommendations regarding a salary structure that takes the District's compensation preferences into consideration as well as the appropriate placement of each classification on the District's salary schedule.

The study includes a significant number of meetings with the Study Project Team, Human Resources, employees, and the District's Board of Directors, as desired. We have expertise in labor/management relations and understand the importance of active participation by all stakeholders to ensure a successful outcome. The meetings and "stakeholder touch-points" that we recommend ensure understanding of the project parameters, enhance accurate intake and output of information, and create a collaborative and interactive approach that will result in greater buy-in for study recommendations. This interactive approach, although time-consuming, has resulted in almost 100% implementation success of K&A's studies.

Study Objectives:

Classification Objectives

- To analyze and update the District's classification system and each study position's classification description and structure through a comprehensive process of job analysis and evaluation, including review of existing documentation, position description questionnaire completion, employee interviews, management interviews, analysis of existing positions and working situations, analysis of levels of duties and responsibilities, and other professional methods, as appropriate;
- To recommend each study position for title change or reclassification (as appropriate), create new classifications (if applicable), eliminate outdated classifications (if applicable), and consolidate classifications assigned to similar functional areas (as appropriate);
- To provide for growth and flexibility of assignment within the new classification structure, where feasible, in recognition that some job duties and responsibilities may evolve over time, as well as to provide adequate career paths and class series/job families that will foster career service within the District;
- To clearly state definitions of job classifications, the typical job functions, and minimum required and preferred qualifications such as education, prior work experience, knowledge, skills, abilities, licenses, certifications, and physical demands;
- To provide a classification structure that ensures regulatory compliance, including allocation of each study position to the correct classification with appropriate FLSA designation as well as meeting ADA regulations;
- To provide for adequate educational, review, and appeal processes that will result in a product that is understood by all levels of personnel and is internally equitable; and
- To ensure sufficient documentation and training throughout the study, on methods used to determine appropriate classification and level, methods for logical progression of movement between classifications, classification concepts and distinguishing



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characteristics, as well as the delivery of final reports and recommendations to guide the organization in implementing, managing, and maintaining the classification system.

Compensation Objectives

- To make recommendations regarding a list of appropriate comparator agencies, benchmark classifications, and benefits to be collected prior to beginning the compensation portion of the study;
- To collect accurate salary and benefit data from the approved group of comparator agencies and to ensure that the information is analyzed in a manner that is clear and comprehensible to the Study Project Team, Human Resources, management, the Board of Directors, employees, and employee representation;
- To carefully analyze the scope and level of duties and responsibilities, requirements for successful work performance, and other factors for survey classes according to generally accepted compensation practices;
- To review the District's compensation structure and practices and develop compensation recommendations that will assist the District in recruiting, motivating, and retaining competent staff;
- To develop solutions that address pay equity issues, analyze the financial impact of addressing pay equity issues, and create a market adjustment implementation strategy supporting the District's goals, objectives, and budget considerations;
- To evaluate benefit offerings in the labor market and make recommendations for better alignment and/or different benefit offerings as indicated by the analysis and best practices;
- To create a comprehensive final report summarizing the compensation study approach and methodology, analytical tools, findings, and recommended compensation structure;
- To recommend appropriate internal salary relationships and allocate classes to salary ranges in a comprehensive salary range plan; and
- To ensure sufficient documentation and training throughout the study, on methods used to determine appropriate salary ranges, methods for logical progression of movement within the salary scale for each classification, and other practices, so that our recommendations can be implemented and maintained in a competent and fair manner.

Overall Objectives

- To review and understand all current documentation, rules, regulations, policies, procedures, budgets, class descriptions, organizational charts, memoranda of understanding, personnel policies, wage and salary schedules, and related information so that our recommendations can be operationally incorporated with a minimum of disruption;
- To conduct start-up Study Project Team meetings with management, study project staff, and other stakeholders to discuss any specific concerns with respect to the development of classification and compensation recommendations; finalize study plans and timetables; conduct employee orientation sessions with management and staff in order to educate and explain the scope of the study and describe what are and are not reasonable study expectations and goals;



- To work collaboratively and effectively with the District and its stakeholders while at the same time maintaining control and objectivity in the conduct of the study;
- To develop a classification and compensation structure that meets all legal requirements, is totally non-discriminatory, and easily accommodates organizational change, growth, and operational needs;
- To document all steps in the process and provide documentation and training for Human Resources and other staff, as appropriate, in classification and compensation analysis methodologies so that the District can integrate, maintain, administer, and defend any recommended changes after the initial implementation; and
- To provide effective ongoing communications throughout the duration of the project and continued support after implementation.

Methodology / Work Plan / Deliverables:

This section of the proposal identifies the actual work plan. We believe that our detailed explanation of methodology and deliverables clearly distinguishes our approach and comprehensiveness.

We will complete the classification and job evaluation, Phase I, before completing the compensation review, Phase II, per the District's request:

- The description of the work performed and the requirements for that work are, in the minds of the employees and their supervisors, inextricably associated with the "worth of that work" or compensation, which is often a highly emotional issue. Separating the two phases of the study, even though some elements of the two phases may be conducted concurrently, tends to produce more objective classification results.
- The compensation review will be completed when there is a full understanding of the work of the District, thereby ensuring that the data developed from the labor market and the District's classifications is accurate.

Given these parameters, our approach is as follows:

PHASE I: CLASSIFICATION STUDY

Deliverable A: Meetings with Study Project Team and Management Staff for Initial Documentation Review

This phase includes identifying the District's Study Project Team, contract administrator, and reporting relationships. Our team will conduct an orientation and briefing session with the Study Project Team to explain process and methodology; create the specific work plan and work schedule; identify subsequent tasks to be accomplished; reaffirm the primary objectives and specific end products; determine deadline dates for satisfactory completion of the overall assignment; determine who will be responsible for coordinating/scheduling communications with employees, management, and the Board; and develop a timetable for conducting the same.



Included in this task will be the gathering of written documentation, identifying current incumbents, and assembling current class descriptions, organizational charts, salary schedules, budgets, memoranda of understanding (“MOU”), personnel policies, previous classification and compensation studies, and any other relevant documentation to gain a general understanding of District operations.

District terminology and methods of current classification and compensation procedures, as well as the written questionnaire instrument for the classification study that will be used in the job analysis phase will be reviewed and agreed to. We will discuss methodology, agree to formats for class descriptions and compensation results, identify appropriate comparator agencies, benchmark classifications, and benefits to be surveyed for compensation survey purposes. We will respond to any questions that may arise from the various stakeholders.

Deliverable B. Orientation Meetings with Employees and Distribution of Position Description Questionnaire

The Position Description Questionnaire (“PDQ”) will be discussed with the Study Project Team and customized as needed to meet the study objectives prior to distributing copies to employees.

We will facilitate orientation meetings with employees (within the same time frame as the initial project kick-off meeting) and distribute the PDQ to start the classification portion of the study. While these meetings are not mandatory, they form the beginning of the educational process that continues throughout the study. We will discuss the importance of the employees’ involvement in the study and their participation in PDQ completion and job analysis interviews. Project processes will be explained, expectations will be clarified, and elements that are not a part of the study will also be covered. Questions will be answered and a detailed explanation and examples for completing the PDQ will be given.

Each PDQ will be handed out with the incumbent’s current class description attached to the questionnaire so the employee can use this as a tool for completing the questionnaire.

Deliverable C. Collection and Review of PDQs

We recommend giving employees in the same classification the option of collaborating on completing a PDQ together, if the employees so choose. At the same time, we will invite employees to complete an individual PDQ if they prefer and if they wish to be interviewed separately. We provide an electronic version of our questionnaire so that employees can more easily complete it. Employees complete the questionnaire and then send it to their supervisor for review, comment, and signature. Upon receipt of the PDQs in our office, K&A staff will review and analyze the PDQs in detail along with other documentation to obtain an understanding of the duties and responsibilities assigned to each position.

Deliverable D. Interviews with Employees, Supervisors, and Management

Interviews will be scheduled with employees. Because this is a critical step in the information-gathering and educational process and due to the District’s size, we typically recommend scheduling interviews with all employees in each classification.



We will offer employees the option to be interviewed in a focus group session with incumbents in the same classification or to request an individual interview if they prefer. We recommend individual interviews only if the employee wants to discuss certain issues (e.g., out of class responsibilities, etc.) in privacy with the consultant.

Interviews will then be held with supervisory and management staff (division managers, department heads, etc.), who will clarify their own responsibilities and/or confirm the information we have received in the interviews with their staff (we allow more time for these interviews).

The purpose of the interviews is to clarify and supplement the questionnaire data and to respond to potential perception differences regarding roles, tasks, scope, and supervisory responsibilities. The appropriateness of the following will be assessed:

- Work being completed and relationships of positions to each other within a division/department as well as across the organization; and
- Classification structure and reporting structure.

Deliverable E. Classification Concept and Preliminary Allocation

Prior to developing detailed class descriptions, our job evaluation will result in a classification concept and employee allocation document that will be submitted to the District for review and approval. We will compare changes in business need and operations, as well as any reorganizations, with the established classification system and job families as well as review internal relationships between classifications to define the reasons for, and effects of, the proposed changes.

Our job analysis method is the whole position analysis approach. Objective factors in the whole position classification methodology include:

1. Education, Training, and Certifications/Licenses
2. Required Experience
3. Problem Solving/Ingenuity
4. Attention/Stress (Concentration/Time Pressure & Interruptions)
5. Independence of Action/Responsibility
6. Contacts with Others/Internal/External
7. Supervision Received and/or Given to Others
8. Consequences of Action/Decisions Made on the Job
9. Equipment Used
10. Working Conditions
11. Physical/Mental Demands

Our analysis will include written documentation of our assessment methodology and assessment for each position surveyed.

This document will list broad class concepts and highlight where significant changes may be recommended, such as creating or collapsing class series in the same functional area and/or separating or combining classifications assigned to different functional areas. We will review and analyze potential career ladders



and promotional opportunities. We will also review and update established titling guidelines for the studied classifications for appropriate and consistent titling.

A detailed, incumbent-specific allocation list for each position included in the study will be prepared, specifying current and proposed classification title and the impact of our recommendations (reclassification – upgrade or downgrade, title change, or no change).

After we have completed this process, a meeting will be arranged to review any recommended changes to the classification plan with the Study Project Team.

Deliverable F. Draft Class Description Development

After preliminary approval of the class concepts and allocation lists, new and/or updated class descriptions will be developed for each proposed classification, following the format approved by the District.

From the review of the PDQs and employee interviews, we will update duties, responsibilities, and minimum qualifications of each class specification, as necessary. We will develop new class specifications if duties, responsibilities, and minimum qualifications have changed significantly, and/or if we recommend new classifications/class levels, and/or if operational changes, business needs, or reorganizations, have occurred. We will review, analyze, and update, as appropriate, knowledge, skills, abilities, education and experience, position definitions, purpose, distinguishing characteristics, supervision received and exercised, position functions and special requirements including licensing and certification requirements. We will address relevance and hierarchical consistency.

We will also review and update physical demands based on the most typical job functions of each classification in accordance with the ADA.

Finally, we will review each classification’s typical job functions and determine exempt vs. non-exempt status in accordance with “white collar” exemptions under the FLSA.

Deliverable G. Facilitation of Draft Class Description Review and Informal Appeals Support

A draft copy of the revised/new class description with allocation recommendation will be submitted to the Project Team and subsequently to each manager, supervisor, and employee, to give each stakeholder group an opportunity to provide comments and concerns regarding any modifications to the classification structure and specifications. Our experience has been that this is one of the most critical phases of the project (as well as one of the most time-consuming). Our proactive and effective communication process at this crossroad has always avoided formal appeals, adversarial meetings, or major conflicts at the conclusion of our studies.

Each employee whose position was studied will receive a memorandum from us outlining what has been accomplished, how to best review the draft classification specification that will be attached, and how to provide feedback to us. Supervisors and managers receive a copy of their employees’ draft class descriptions and will be asked to review their employees’ comments and feedback to verify and concur with, or recommend changes to, the information provided.



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We will ask employees to submit their written concerns (via their supervisor/manager) to our office. While employees may not always agree with our recommendations, they have a “second chance” to ensure that they have been heard and to continue learning the reasons specific recommendations were made. Significant employee comments will be reviewed with management prior to making any significant changes to the proposed class plan. These discussions will be by email, telephone, or additional direct personal contact with employees, depending upon the extent of the response.

Allocation and/or class description changes will be made as required and the class specifications will be finalized and submitted for approval. All employees who submitted their comments during the review process will be notified in writing regarding the outcome of their concerns.

Deliverable H. Classification Plan and Draft of Interim Report and Final Report

A Draft Interim Report of the Classification Study will be completed and submitted to the Study Project Team for review and comment. The report will contain:

- Classification recommendations for each studied position, including documentation regarding study goals and objectives, classification methodology, approach, and process as well as all findings, analysis, and resulting recommendations;
- The recommended allocation list, classification title changes, job family and career ladder/career growth issues, reporting relationships, and other factors will all be included; and,
- Classification concepts and guidelines as well as methods used to determine appropriate classification and level, methods for logical progression of movement between classifications, distinguishing characteristics and other pertinent information for implementation and continued maintenance of the recommendations will be detailed.

Once we have received the District’s comments regarding the Draft Interim Report and have made any necessary changes, a Final Classification Report will be developed.

Deliverable I. Final Presentation of Phase I Results

Our proposal includes multiple meetings and weekly oral and written status/progress updates to the Study Project Team. We are available to make any final presentations of our draft final and/or final report and recommendations to District management and/or the Board of Directors, as well as at the bargaining table, as needed, to negotiate recommendations with the bargaining groups related to changes in job descriptions, employee classifications, and benchmark positions.

Please see more information regarding the selection of benchmark classifications in the compensation study methodology outlined below. If the District prefers, this deliverable can be included here in the classification study (as outlined in the RPF).

NOTE: this step is ordinarily combined with the Final Presentation of the Compensation Study for both time efficiencies and cost savings; however, if the District desires it, we will provide a Final Presentation of Phase I results at this juncture, and can provide another, separate Final Presentation at the completion of Phase II.



PHASE II: TOTAL COMPENSATION STUDY

Note: Ordinarily, the first task and deliverable in a Compensation Study, when conducted completely separately from a Classification Study, is the same Deliverable A shown in our Phase I work plan for Classification (if included here as Deliverable A, the subsequent steps below would change their alphabetic value as well). We eliminated it here and propose to determine the required information for the Comp Study during the initial meeting in Phase I, saving time and money for the District.

Deliverable A. List of Comparator Agencies, Benchmark Classifications, and Benefits to be Collected

During the initial meeting with the Study Project Team, we will discuss and agree to the compensation study factors. We will confirm appropriate comparator agencies (the historical list of twelve [12] from the last study) that will be included in the external market survey, which will be the foundation of ensuring that the agencies' salaries for the studied classifications are competitively aligned with the external labor market. We will also confirm those classifications that will be surveyed in the market (i.e., benchmark classifications), with the intention of internally aligning the remaining classifications with those that were surveyed.

Finally, we will determine the list of benefits that the District wants to include in the total compensation data gathering process.

1. Determination of Comparator Agencies

The selection of comparator agencies is a critical step in the study process. We typically use the following factors to identify appropriate comparators and will receive approval before proceeding with the total compensation survey.

Our recommended methodology is that we involve the Board of Directors, management, Human Resources, and employee representation in the decision-making process of selecting which comparable agencies are included, **PRIOR** to beginning the study. Our experience has shown that this is the most successful approach. The factors that we typically review when selecting and recommending appropriate comparator agencies include:

- **Organizational type and structure** – While various organizations may provide overlapping services and employ some staff having similar duties and responsibilities, the role of each organization is somewhat unique, particularly in regard to its relationship to the citizens it serves and level of service expectation. During this iterative process, the District's current/previous list of comparators and the advantages/disadvantages of including them or others will be discussed.
- **Similarity of population served, District demographics, District staff, and operational budgets** – These elements provide guidelines in relation to resources required (staff and funding) and available for the provision of services.
- **Scope of services provided** – While having an organization that provides all of the services at the same level of citizen expectation is ideal for comparators, as long as the *majority* of services are provided in a similar manner, sufficient data should be available for analysis.
- **Labor market** – The reality of today's labor market is that many agencies are in competition for the same pool of qualified employees. Individuals often do not live in the community they



serve. Therefore, the geographic labor market area (where the District may be recruiting from or losing employees to) will be taken into consideration when selecting potential comparator organizations.

- **Cost-of-living** – The price of housing and other cost-of-living related issues are some of the biggest factors in determining labor markets. We will review overall cost-of-living of various geographic areas, median house prices, and median household incomes to determine the appropriateness of various potential comparator agencies.

The District wishes to include in the comparator agency analysis the group of twelve (12) comparator agencies used in the last study, which K&A performed for the District. We typically recommend using up to twelve (12) comparator agencies for all survey benchmarks in order to achieve statistical significance, therefore the District’s previous practice is consistent with our methodology.

The list of 12 previous comparator agencies are:

- a) Ross Valley Sanitary District
- b) Central Marin Sanitation Agency
- c) West County Wastewater District
- d) Vallejo Flood and Wastewater District
- e) Napa Sanitary District
- f) City of Petaluma
- g) City of American Canyon
- h) City of San Rafael
- i) Novato Sanitary District
- j) Sanitary District No. 5 of Marin County (Tiburon)
- k) Sausalito-Marín City Sanitary District
- l) Sewerage Agency of Southern Marin

2. Determination of Benchmark Classifications

In the same collaborative manner as described above in Step A.1., we will work with the District’s stakeholders to select those classifications that will be surveyed.

“Benchmark classes” are ordinarily chosen to reflect a broad spectrum of class levels. In addition, those that are selected normally include classes that are most likely to be found in other similar agencies, and therefore provide a sufficient valid data sample for analysis. Internal relationships will be determined between the benchmarked and non-benchmarked classifications and internal equity alignments will be made for salary recommendation purposes. Due to the fact that the labor market typically yields reliable data, we recommend using approximately 60-65% of all classifications as benchmarks but we are happy to use a different model. However, due to the District’s size and number of classifications, we will most likely survey the majority of them. The exception may be those classification series that have more than one level for which we would typically only survey the journey-level and internally align the other levels of the class series. We are happy to discuss our methodology with the District if we are selected to perform this project.



3. Determination of Salary and Benefits Data to Be Collected

In addition to base salaries, benefit data elements for a total compensation study normally include at least the following (which are generally available to all staff in a specific job classification):

- **Monthly Salary** – The top of the normal, published salary range. All figures are presented on a monthly or annual basis. We normalize the salary data to reflect number of hours in the work week and/or roll-up of retirement or other benefits in base salaries.
- **Employee Retirement** – This includes two figures: the amount of the employee’s State or other public or private retirement contribution that is contributed by the agency and the amount of the agency’s Social Security contribution.
- **Retiree Healthcare** – With healthcare costs rising and retiree healthcare and liabilities increasing for many public agencies, we also collect this information.
- **Insurance** – This typically includes Health, Dental, Vision, Life, Long-Term Disability, Short-Term Disability, and other insurance coverage.
- **Leave** – Other than sick leave, which is usage-based, leave is the amount of days off for which the organization is obligated. All days will be translated into direct salary costs.
 - ❖ **Vacation:** The number of vacation days available to all employees after five (5) years of employment.
 - ❖ **Holidays:** The number of holidays (including floating) available to the employee on an annual basis.
 - ❖ **Administrative/Personal Leave:** Administrative leave is normally the number of days available to management staff to compensate for the lack of payment for overtime. Personal leave may be available to other groups of employees to augment vacation or other time off.
- **Deferred Compensation** – We report any employer contribution made on the employee’s behalf, whether dollar amount or percentage of salary, that does not require an employee-matching contribution. We can also report employer contributions that do require an employee match and would do so as a separate report.
- **Other** – This category includes any other benefits that are available to all employees within a classification and not already specifically detailed, such as standby pay, auto allowance, Employee Assistance Program, etc.

Deliverable B. Data from Comparators

K&A does not collect market compensation data by merely sending out a written questionnaire. We find that such questionnaires are often delegated to the individual in the department with the least experience in the organization and given a low priority. Our experienced compensation analysts conduct all of the data collection and analysis to ensure validity of the data and quality control. This approach also ensures that we compare job description to job description and not just job titles, therefore ensuring true “matches” of at least 70%, which is the percentage we use to determine whether to include a comparator classification or not. As detailed above in the Classification methodology, our job analysis method is the whole position analysis approach.

Our analysis will include written documentation of our assessment methodology and assessment for each position surveyed.



We typically collect classification descriptions, organization charts, salary schedules, personnel policies, MOUs, and other information via website, by telephone, or by an onsite interview. With the prior knowledge from the data gathered directly from each comparator agency and our experience in the public sector human resources field, our professional staff makes preliminary “matches” and then schedules appointments by telephone, or sometimes in person, with knowledgeable individuals to answer specific questions. We find that the information collected using these methods has a very high validity rate and allows us to substantiate the data for employees, management, and governing bodies.

Deliverable C. Analysis and Preliminary Review of Data

Data will be entered into spreadsheet format designed for ease of interpretation and use. The information will be presented in a format that will identify the comparator positions used for each classification comparison. Information will be calculated based upon both average and median figures allowing the District to make informed compensation decisions. Other elements of the compensation survey report are agencies surveyed; comparable class titles; salary range maximum/control point; number of observations; and percent of the District’s salary range is above/below the market values.

In addition, we will include any type of statistical representation and analysis that the District desires such as 60th, 70th, or any other percentiles.

Benefits data will be displayed in an easy-to-read format. You will receive three (3) sets of spreadsheets per classification, one with base pay, one with the benefits detail, and one with total compensation statistical data. In addition, we are often asked to collect “other” benefits (as listed in the benefits section above), which we typically report on a separate spreadsheet.

Deliverable D. Draft Compensation Findings/Additional Analysis/Study Project Team Meetings

We distribute our draft findings to the Study Project Team. After their preliminary review, K&A will meet with the Study Project Team and other stakeholders (including management, employees, and Human Resources) to clarify data, to receive requests for reanalysis of certain comparators, and to answer questions and address concerns. This provides an opportunity for the Study Project Team and other stakeholders to review and question any of our recommended benchmark comparator matches. If questions arise, we conduct follow-up analysis to reconfirm our original analysis and/or make corrections as appropriate.

Deliverable E. Analysis of Internal Relationships and Alignment

To determine internal equity for all studied positions, considerable attention will be given to this particular deliverable in the compensation study portion of the project. It is necessary to develop an internal position hierarchy based on the organizational value of each classification. Again, we utilize the whole position analysis methodology as described earlier.

By reviewing those factors, we will make recommendations regarding vertical salary differentials between classes in a class series, for example, as well as across departments. This analysis will be integrated with the results of the compensation survey and the District’s existing compensation plan.



The ultimate goal of this critical step in the process is to address any potential internal equity issues and concerns with the current compensation system, including compaction issues between certain classifications. We will create a sound and logical compensation structure for the various levels within each class series, so that career ladders are not only reflected in the classification system but also in the compensation system, with pay differentials between levels that allow employees to progress on a clear path of career growth and development. Career ladders will be looked at vertically, as well as horizontally, to reflect the District's classification structure that was developed during Phase I (the classification phase).

Deliverable F. Compensation Structure and Implementation Plan

Depending on data developed as a result of the internal analysis, we will review and make recommendations regarding internal alignment and the salary structure (set of salary ranges, salary differentials, steps within ranges, and/or alternative compensation plans) within which the classes are allocated, based upon the District's preferred compensation model. In addition, we will develop externally competitive benefit comparisons for all classifications. We will also assist the District in developing a compensation philosophy and practices relative to the surveyed public jurisdictions. Finally, we will develop a proposed implementation plan based on the study results and recommendations.

We will conduct a competitive pay analysis using the market data gathered to assist in the determination of external pay equity and the recommendation of a new base compensation structure. We will conduct a comparative analysis to illustrate the relationships between current pay practices and the newly determined market conditions and develop solutions to address pay equity issues, analyze the financial impact of addressing pay equity issues, and create a market adjustment implementation strategy supporting District goals, objectives, and budget considerations. We will develop recommendations covering special compensation issues such as salaries above the maximum; seniority; promotions; maintenance of the salary schedules; etc.

Draft recommendations will be discussed with the Study Project Team and management for discussions and decisions on overall pay philosophy and the practicality of acceptance and prior to developing an Interim Report.

Deliverable G. Final Report and Guidelines for Implementation

Volume II (Draft Interim Report of the Compensation Study) will be completed and submitted to the Study Project Team for review and comment. The report will provide detailed compensation findings, documentation, and recommendations. The Draft Interim Report will include:

- An executive summary of the compensation study and results;
- A set of all market data spreadsheets;
- A proposed Salary Range Placement document;
- A procedure to address employees whose base pay exceeds the maximum of their newly assigned pay range;
- Implementation issues and cost projections surrounding our recommendations; and,
- A guide for rules, policies and procedures for the District in implementing, managing and maintaining the compensation system, as appropriate.



Once all of the District's questions/concerns are addressed and discussed, a Final Compensation Report will be created and submitted in the District's preferred format. The Final Report will incorporate any appropriate revisions identified and submitted during the review of the draft report.

Deliverable H. Formal Appeals Support

Should the District have a formal appeal process regarding the allocation of positions to classifications and of classifications to salary ranges, this proposal does not cover time regarding a formal appeal process. Should our on-site participation be desired, our stated composite hourly rate will be honored. As mentioned above, however, our internal process usually addresses any appeal issues.

Deliverable I. Final Presentation

Our proposal includes multiple meetings and weekly oral and written status/progress updates to the Study Project Team. Regarding the involvement of the District's Board of Directors, we recommend at least one initial meeting to confirm the comparator agencies to be included in the study, one interim study session (to discuss the initial findings of the compensation study), and one final presentation of our Final Report. We will also provide support to management at the bargaining table, as needed, to negotiate our recommendations with the various bargaining groups. Of course, we are flexible regarding having more or less interaction with the Board, based on the District's preferences.

Post-Implementation Consultation and Support:

We are committed to providing the District with the highest-quality product and service. Providing ongoing consultation and support after study implementation is a service that is included in our professional fees and a continued relationship-building aspect of our client relationship that we highly value.

We often find that clients will call or email with follow-up questions and to discuss certain aspects of the study, ask why decisions and recommendations were made, and other important components of the study. We consider post-implementation support as part of our customer service.

Should the District request any additional onsite meetings and/or training after implementation of the study and/or other specific, identifiable work efforts, such as position reclassification studies, creating new class descriptions, or conducting annual surveys, we would honor our composite hourly rate for actual hours spent at the District. However, from experience, we expect that most follow-up support will be conducted via telephone and email and this is absolutely included in our "Not To Exceed Fee" for this project.

Stakeholder Engagement:

The meetings and communications with stakeholders that we recommend ensure understanding of the project parameters, enhance accurate intake and output of information, and encourage a collaborative and interactive approach that will result in greater buy-in for study recommendations. This interactive



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approach, although time-consuming, has resulted in almost 100% implementation success of K&A's studies.

We believe in an interactive and collaborative process with the whole organization and in a high level of stakeholder contact and interaction to ensure organizational buy-in of the study throughout the entire process. Following are the major milestones at which we touch base with Human Resources, employees, managers, and other stakeholders, as appropriate:

- Initial study kick-off and employee/management orientation meetings;
- Position description questionnaire completion and review;
- Employee and management interviews;
- Employee, management, and Human Resources review of draft class descriptions;
- Contact with employees and management to address final classification issues;
- Stakeholder input regarding a list of appropriate comparator agencies;
- District stakeholder review of compensation study data and contact with them to address any challenges to the market comparables we identified for each classification;
- Stakeholder input on internal salary relationship analysis and recommendations; and
- Stakeholder input regarding final compensation plans and structure recommendations.

These steps will ensure that the study results in a product that is accepted and trusted by all levels within the organization. Beyond sound mechanics, our approach includes sufficient communication steps to ensure that the study methodology is understood and the results are regarded as expert, impartial, and fair.

Time Requirements:

Our professional experience is that classification and compensation studies of this scope and for this size organization take approximately six (6) months to complete, allowing for adequate position description questionnaire completion, interview time, classification description review and/or development, compensation data collection and analysis, review steps by the District, the development of final reports, any appeals, and presentations. Therefore, assuming a start date in either June or July, 2018, completion of the study by the desired completion date of March, 2019, is both realistic and easily achievable.

The following is a suggested timeline (which can be modified based on the District's needs):

Deliverable	PHASE I: Classification Study	Week #
A.	Meetings with Study Project Team and Management Staff for Initial Documentation Review (<u>note</u> : this step or Deliverable will also cover Phase II, Compensation, to save time and money; however, if the District desires this step or Deliverable be repeated again for Phase II, we are happy to accommodate the District)	Week 1
B.	Orientation Meetings with Employees and Distribution of Position Description Questionnaire	Week 1
C.	Collection and Review of Position Description Questionnaires	Week 5



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D.	Interviews with Employees, Supervisors, and Management	Week 7
E.	Classification Concept & Preliminary Allocation	Week 8
F.	Draft Class Description Development	Week 14
G.	Facilitation of Draft Class Description Review and Informal Appeals Support	Week 18
H.	Classification Plan and Draft of Interim Report and Final Report	Week 20
I.	Final Presentation (but can also be combined with Classification Study Final Presentation at end of Phase II)	As Scheduled

Deliverable	PHASE II: Total Compensation Study	Week #
A.	List of Comparator Agencies, Benchmark Classifications, and Benefits to be Collected	Week 1
B.	Data from Comparators	Week 19
C.	Analysis and Preliminary Review of Data	Week 20
D.	Draft Compensation Findings/Additional Analysis/Study Project Team Meetings	Week 22
E.	Analysis of Internal Relationships and Alignment	Week 23
F.	Compensation Structure and Implementation Plan	Week 23
G.	Final Report and Guidelines for Implementation	Week 24
H.	Formal Appeals Support *	As Needed
I.	Final Presentation	As Scheduled



III. FEE STRUCTURE

We have often found our process requires a very high level of time commitment, which sometimes results in a higher proposal cost. We believe that our methodology and implementation success rate is attributable to the significantly greater level of contact we have with management, governing body, and staff. The time we commit to working with the employees (orientations and briefings, meetings with employees via personal interviews, informal appeal process, etc.) results in significantly greater buy-in throughout the process and no formal appeals at the end of the study.

In fact, our firm has never had a formal appeal to any of our studies in our 34 years in business. It has been our experience that the money and time invested in stakeholder communication throughout the study are money and time saved during implementation. Numerous times our firm has been hired after an agency has gone through an unsuccessful study whose results were rejected or appealed and whose implementation was very controversial. The result was a divided organization with hostility and animosity between employees/employee representation and management. Whenever our firm was hired after such an unfortunate experience, study stakeholders were amazed at our open and all-inclusive process, our efforts to elicit equal stakeholder input, and our development of recommendations that were accepted as fair and reasonable and understood by management, employees, and the governing body. Our success rate is also attributable to the fact that we have 34 years of experience working with employees of all types of backgrounds, educational levels, and work experiences, and we are accustomed to successfully communicating with and educating them throughout the process. It is imperative that all employees eventually buy into the study results and recommendations, whether they have been through a process like this before or whether this is the first time for them.

Our clients always provide feedback that our process was professional, comprehensive, understandable, timely, and inclusive. Employees, although not necessarily always happy with our recommendations, have always indicated that we listened to their issues and concerns and were available for discussion, as required. Although time consuming, we also drive the process to ensure that timelines are met and schedules are maintained.

Deliverables	Phase I: Classification Study	Hours
A.	Meetings with Study Project Team and Management Staff for Initial Documentation Review	5
B.	Orientation Meetings with Employees and Distribution of PDQs	8
C.	Collection and Review of PDQs (<i>assumes almost all 21 FTEs submit questionnaires</i>)	10
D.	Interviews with Employees, Supervisors, and Management	15
E.	Classification Concept & Preliminary Allocation	10
F.	Draft Class Description Development (<i>up to 15 classifications</i>)	40
G.	Facilitation of Draft Class Description Review and Informal Appeals Support	12
H.	Classification Plan and Draft of Interim Report and Final Report	12
	Total Professional Hours -- Classification	112



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	Combined professional and clerical composite rate: \$130/Hour	\$14,560
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Deliverables	Phase II: Total Compensation Study	Hours
A.	List of Comparator Agencies, Benchmark Classifications, and Benefits to be Collected	12
B.	Data from Comparators (assumes up to 15 benchmarks, up to 12 comparators)	45
C.	Analysis and Preliminary Review of Data (up to 15 benchmarks, up to 12 comparators)	20
D.	Draft Compensation Findings/Additional Analysis/Study Project Team Meetings	8
E.	Analysis of Internal Relationships and Alignment	5
F.	Compensation Structure and Implementation Plan	8
G.	Final Report and Guidelines for Implementation	12
H.	Formal Appeals Support *	0
I.	Final Presentation	6
	<i>Anticipated hours for additional unscheduled meetings and phone calls</i>	5
	Total Professional Hours – Total Compensation	121
	Combined professional and clerical composite rate: \$130/Hour	\$15,730
	Expenses are included in our combined composite rate:	N/A
	<i>Expenses include but are not limited to duplicating documents, binding reports, phone, fax, supplies, postage, travel expenses, per diem, etc.</i>	
	TOTAL NOT-TO-EXCEED COST FOR BOTH PROJECTS:	\$30,290
	*Additional consulting will be honored at composite rate (\$130/Hour)	

Billing Policies and Procedures:

We bill in arrears (we bill for the month in which our services were provided in the month following the month of service; e.g., we bill in September for work done in August, etc.) and our terms are 30 days net.

We send invoices electronically and request either a dedicated Accounts Payable email address, or an email address for the person who would approve our invoices for payment. If desired, we can provide a Vendor ACH form for electronic payments. If our invoices are subject to audit by the District or independent auditors, we would appreciate being given immediate notice as to same.



Contractual Requirements:

We will be pleased to sign a contract or professional services agreement for any compensation and/or classification studies or other HR Services; we take no exception with the sample contract provided in the RFP.

Insurance Acknowledgement:

We will submit and support the levels of coverage and endorse the District with our General Liability coverage upon award of a contract for the project.

Workers' Compensation:	Statutory Limits
Commercial General Liability:	\$2,000,000 per occurrence
Professional Liability (Errors & Omissions):	\$1,000,000 per occurrence
Automobile Insurance:	\$1,000,000 per occurrence

Our insurance broker is Ms. Eileen Hollander, Sr. Account Manager/Commercial Lines, Integro Insurance Brokers, 2300 Contra Costa Blvd., Suite 375, Pleasant Hill, CA 94523.

Standing of the Firm:

K&A has been in business in California for thirty-four years and has always been in good standing, is financially stable, and has no past or pending litigation.



Signature Page

Koff & Associates intends to adhere to all of the provisions described in the RFP.

This proposal is valid for ninety (90) days.

Respectfully submitted,

By: KOFF & ASSOCIATES
State of California

Georg S. Krammer
Chief Executive Officer

May 21, 2018



