

# Compensation Study Request for Proposals

## City of Anthony

**MUST BE SUBMITTED BY APRIL 15, 2022 AT 5:00 P.M.**

Submit six (6) copies inside a SEALED envelope marked “Compensation Study”.

\*Please do not bind proposal.

No emailed or late proposals will be accepted.

Send to:

**City of Anthony**

ATTN: Cyndra Kastens, City Administrator

124 S Bluff

P.O. Box 504

Anthony, KS 67003

RFP's will be opened at the April 19<sup>th</sup> regular meeting of the Anthony City Commission at 6:00 p.m. Bids will not be awarded until the following regular meeting of May 3<sup>rd</sup>.

# **REQUEST FOR PROPOSALS (RFP)**

## **Compensation Study**

### **OVERVIEW**

The City of Anthony, Kansas, hereinafter referred to as the “City”, is seeking proposals from qualified Consultants/Firms to conduct a salary/compensation study. The Consultant/Firm will work with the City Administrator to review our compensation structure and recommend comparable public/private survey markets. Consultants/Firms shall consider the compensation and benefits package received by employees with the City as it relates to both the external and internal markets.

### **CITY OF ANTHONY ~ PROFILE**

The City of Anthony, Kansas, is located in Harper County in the Southcentral region of the state. Our population is approximately 2,108, with an estimated median household income of \$53,462. The City operates under a Commission form of government with an annual budget of \$11.3M. Anthony is a Second-Class city in Kansas, though you will note by population that Anthony is at the very bottom of that classification range, suggestively more comparable by cities of similar population and rather than class. The City’s primary objective is sustainability and growth, with a significant focus on improved infrastructure, economic development, and housing.

### **CLASSIFICATION, COMPENSATION, AND ATTENDANCE/LEAVE SYSTEM**

The City has seven main departments: Administration, Police, Fire (volunteer), Streets, Water/Wastewater, Electric Production, and Electric Distribution. Each department has a department head that is under the supervision of the City Administrator. There are four sub-departments supervised under one of the main departments: Lake, Parks, Mechanic Shop, Maintenance/Custodian. The City has 30 full-time employees, one part-time, volunteer fire staff and regular seasonal positions.

The City has a job description for all full-time and part-time positions and currently utilizes a pay range plan with positions being identified on different levels of the pay range. Employees are placed on the pay range via pay “grades/tiers” based on their position and skill level at time of employment. The pay scale was adopted in 2017. The Governing Body may approve annual cost of living and longevity salary increases and may set the percentage allowable for merit increases in budget each year. City employees have not received cost of living or longevity increases since the pay scale was adopted. Merit increases have been approved by budget annually and awarded based upon annual employee performance evaluations.

The City changed the leave policy in 2017, shifting from separated vacation and sick leave to combined PTO time. Employees accrue a number of hours per month (based on longevity) for PTO leave, with annual carry over accrual up to 360 hours. Employees also receive 40 hours annually for short-term disability leave (STD L). At the end of the year, PTO hours in excess of 360 are rolled into STD L, which can accrue up to 1,440 hours. The attendance/leave policy also contains provision for 1 annual personal day, established city holidays, maternity, FMLA, funeral,

and other leave. Retirement (located in a different section of the personnel policy) is also referenced in certain sections of the attendance/leave policy with respect to the pay-out of PTO and STDL.

The City is receiving concerns that our current employee pay is no longer comparable to similar job markets and the surrounding geographic region. In addition, the implementation of the newly combined PTO system has revealed the possibility that PTO credit earned and pay-out at employment separation may also be inconsistent with market comparability.

## **GOALS & OBJECTIVES**

The City's goals include attracting and retaining qualified employees, to incentivize existing talent for promotional opportunities and to be a leader in the comparable market place in terms of competitive wages and benefits for all positions.

- Maintain a current system of position classifications, classes, and tiers that ensure positions performing similar work with essentially the same level of complexity, responsibility, knowledge, skills, and abilities are classified and grouped correctly;
- Provide pay/salaries and incentives commensurate with assigned duties, competencies, education and industry specific qualifications/certifications;
- Clearly outline career paths/promotional opportunities and provide recognizable compensation growth;
- Establish justifiable pay differential between job classes.;
- Provide an attractive total compensation and benefits plan to existing and prospective employees that is still within responsible fiscal range of the size of community we are;
- Maintain a competitive position with other comparable government entities and private employers within the same geographic areas; and
- Identify position and skills gaps in departments, or overlapping areas in departments and create a comprehensive succession plan.

## **SCOPE OF WORK**

The Consultant/Firm is expected to develop and conduct a comprehensive total compensation and benefit analysis of the City of Anthony as compared to at least ten private and ten public sector external labor markets based on industry specific compensation studies/standards to verify the city's current level of compensation comparability and attendance/leave and make recommendations for needed changes to the compensation and attendance/leave system.

The scope of this project includes:

1. Evaluate and make recommendations for deficiencies in classification, class, and grade/tier range of current employment positions.
2. Identify salary market data to validate the target rates within the pay ranges.
3. Evaluate employee benefits, with special focus on compensation and attendance/leave plans against public/private sector (especially against municipalities comparable in population size, not just municipal classification) and make recommendation for areas of suggested change to

aid the city in meeting its employment and retention goals to remain competitive for our geographic region.

4. Perform cost analysis/financial impact analysis of implementing any proposed changes.
5. Meet with the City Administrator to review preliminary findings.
6. Prepare a written plan and deliver a final presentation to the Governing Body.

## **CITY PROVIDED SUPPORT**

The City will provide organizational charts, payroll information needed for analysis, pay scale, incentive plans, employee handbooks, job descriptions, access to staff as needed and other information necessary for the Consultant/Firm to complete the survey.

## **DELIVERABLES**

The Consultant/Firm shall:

1. Review current compensation plan and address current challenges in recruiting and retaining employees.
2. Recommend adjustments to the salary structure and provide justification for the band widths and step ranges.
3. Capture the 25<sup>th</sup>, 50<sup>th</sup>, and 75<sup>th</sup> percentiles of the proposed pay grades and plot salary progression within the band.
4. Review and recommend starting pay for each job classification, and the impact for existing positions in comparable job classes.
5. Review existing city pay incentives and recommend an organization-wide incentive pay structure.
6. Review existing attendance/leave and separation from employment policies and recommend plan options where incomparability's to similar municipalities are determined. Include a recommended transition plan to address the impact of change to existing employee leave accruals and benefits.
7. Recommend strategies and priorities for plan implementation.
8. Provide recommendations for the ongoing internal administration and maintenance of the proposed compensation plan, including annual (or other periodic) market survey.

## **QUALIFICATIONS**

To be considered, a Consultant/Firm must be a full-service consulting firm in the field of compensation analysis and valuation techniques. The Consultant/Firm shall demonstrate that its job classification, compensation system and recommendations have been successfully implemented and maintained in at least four municipalities and/or private sector companies comparable in size and scope.

## **SUBMITTAL OF PROPOSALS**

Proposals shall be submitted in writing. The submission shall contain six (6) copies of the proposal to be in one sealed envelope/package with the name and address of the Consultant/Firm clearly

marked on the outside of the envelope/packaging. The proposal shall be clearly marked “COMPENSATION STUDY” on the outside of the envelope/packaging.

## **FORMAT**

The City requests the following format be utilized for the proposals for ease of reference and comparison.

- a. Title Page (To include total project cost. Individual price breakdowns can be detailed in section h below).
- b. Table of Contents
- c. Consultant/Firm profile: Include information on the Lead Firm(s), Joint Venture Partners, an overview of the firm, history, organizational structure, number of years in existence, length of time in the HR consulting business, staff size, number and location of offices, areas of expertise, number and type of employees in the local office, description of corporate philosophy/culture and the number and the type of clients which you serve.
- d. Outside Consultants or Sub Consultants expected to be used for this project: Name, address, contact information, specialty or role with this project, years of experience providing compensation studies for municipalities.
- e. Experience and References: Projects your firm has completed within the past five years that are similar to those requested by this RFP. Special attention shall be given to projects your firm has completed for other City entities. For references, include company name, address, persons to contact, telephone number, a brief description of the project completed by your firm and the date completed.
- f. Key personnel who will be assigned to the City’s project: List the person’s name, title, project assignments, years of experience, brief summary of their work experience, areas of expertise, length of service with your firm, reporting relationships, location, clients and any other qualifications relevant to the City’s project.
- g. Describe your firm’s approach to the project, including a general overview of the services to be performed, personnel to be assigned and their qualifications, timeframes and deliverables that will be provided to the City.
- h. Identify all costs related directly or indirectly to this project, including, but not limited to employee classification, hourly rate, travel time, out-of-pocket expense, etc. No add on costs will be accepted, unless mutually agreed upon by Consultant/Firm and City.
- i. Describe what sets your firm apart from your competitors and if there is a particular area of expertise for which your firm is known. Please include any additional information deemed necessary to add value to the proposal.
- j. Provide a description and listing of data that would be needed from the City.
- k. Describe the schedule you would propose to review our current job descriptions, meet with employees, review the City’s current compensation structure, and assess alternatives and enhancements.
- l. Describe your firm’s benchmarking capabilities, access to industry specific and other surveys, date of surveys, process for aging data, if applicable, and web-based tools available to clients.

## **SPECIAL CONDITIONS**

- A. During the evaluation process, the City reserves the right to request additional information or clarifications from those submitting proposals, and to allow corrections of errors and/or omissions.
- B. Submission of a proposal indicates acceptance by the firm submitting the proposal of the terms, conditions and specifications contained in this RFP.
- C. The City will not pay for any information herein requested, nor is it liable for any costs incurred by those submitting proposals. The City reserves the right to select the Consultant/Firm that will best meet needs of the City. Consultant/Firms and/or proposals that do not meet the stated requirements will be disqualified.
- D. No Consultant/Firm may withdraw their proposal for a period of sixty (60) days from the date set for the opening thereof.
- E. By submission of a proposal, each Consultant/Firm certifies that:
  - a. The Consultant/Firm has not paid nor agreed to pay any person, other than a bona-fide employee, a fee or a brokerage commission resulting from the award of this contract.
  - b. The City may, by written notice to a Consultant/Firm, cancel any award under this RFP if it is found by the City that gratuity, in the form of entertainment, gifts or otherwise were offered or given to any representative of the City with intent to influence securing the award of a contract or other favorable treatment with respect to this RFP.
  - c. The responding Consultant/Firm assumes sole responsibility for submitting complete proposals and ensuring that all requirements are met. No special consideration shall be given once proposals are opened because of the Consultant/Firm's failure to be knowledgeable about all requirements of the RFP. By submitting this proposal in response to the RFP, the Consultant/Firm represents that it has satisfied itself, from its own investigation, that it has fully met the requirements of this RFP.
  - d. Each proposal shall be signed by an officer of the Consultant/Firm's company, or a designated agent empowered to bind the firm in a contract.

## **GENERAL TERMS AND CONDITIONS**

- Proposals may be withdrawn prior to the time and date set for the deadline for submission. Any such request must be made in writing on company letterhead and signed by the Consultant or authorized agent of the firm.
- The City reserves the right, before making an award, to investigate whether the qualifications or services offered by the Consultant/Firm meet the requirements set forth in the RFP. The City reserves the right to waive any defects and informalities in any proposal, to reject any and all proposals as may be deemed in the best interest of the City.
- The City reserves the right to consider historic information and fact whether gained from Consultant/Firm's submission in response to the RFP, question and answer conference, references or any other source, in the evaluation process of this RFP.

- Consultant/Firm shall not include federal, state, or local excise or sales taxes in their proposal prices, as the City is exempt from payment of such taxes.

## **INDEMNIFICATION**

Consultants/Firms submitting proposals in response to the RFP, agree to indemnify and hold harmless the City, its officers, employees and agents from and against all claims, damages, losses and expenses arising out of the submission of any proposal or possible subsequent limitation on the amount or type of damages, compensation or benefits payable for or by the Consultant/Firm or their designated agent under the Worker's Compensation Act, Americans with Disabilities Act, or other federal and state laws.

The City of Anthony has certain insurance requirements that must be met. The Consultant/Firm will be responsible to purchase and maintain at its sole expense the following insurance coverage and provide proof of coverage to the City.

- Professional liability insurance covering negligent acts, errors or omissions of the Consultant/Firm, its agents, officer, and employees. Total aggregate policies of insurance shall be in an amount of not less than One Million Dollars (\$1,000,000.00).
- A comprehensive general liability policy of insurance shall be purchased and maintained that lists the City as an additional insured. Such policy of insurance shall be in an amount of not less than One Million Dollars (\$1,000,000.00).

## **WORKER'S COMPENSATION**

A Workers' Compensation and Employer's Liability Policy shall be procured and maintained by the Consultant/Firm. This policy shall include an "all states" endorsement. Said insurance policy shall also cover claims for injury, disease, or death of employees which, for any reason does not fall within the provisions of the Workers' Compensation Law.

Liability Limits shall not be less than:

- Workers' Compensation – Statutory
- Employer's Liability - \$500,000.00 each occurrence.

Consultant/Firm shall furnish the City with copies of all insurance policies or certificates of insurance policies that must be maintained hereunder. In addition, insurance policies applicable hereto shall contain a provision that the City shall be given thirty (30) days written notice by the insurance company before each policy is substantially changed or canceled.

## **AWARD OF SERVICE**

The City will award services to the Consultant/Firm who is determined to have submitted the best overall proposal in accordance with the specifications and all required documents. The City reserves the right to reject any and all proposals based upon its sole discretion. Respondents that fail to provide information requested by the City will not be considered for award.

## **NEGOTIATIONS**

The City may conduct negotiations of technical aspects of the proposals and/or prices after reviewing all proposals submitted. These negotiations will only be with the Consultant/Firm whom the City is considering for award of services. Post-proposal negotiations may be conducted jointly with representatives of the City and Consultant/Firm's representative. Said representative shall be certified, in writing, by the Consultant/Firm, as qualified and empowered with the authority for answering and giving administrative, technical and price clarifications relative to the proposal.

## **SELECTION PROCESS**

The proposals will be evaluated by the City Administrator and the members of the governing body. The governing body shall tabulate and score each qualifying proposal received.

### **Equal Opportunity**

The City of Anthony does not discriminate on the basis of race, color, creed, national origin, sex, religion, age, sexual orientation, gender identity, marital status, status with regard to public assistance, membership on a local human rights commission, disability or any other basis protected by law in the admission or access to or treatment of employment, program, activities or services. The Consultant/Firm selected must provide a copy of its nondiscrimination policy and shall not discriminate under the contract against any person in accordance with federal, state, local regulations and City policy; and shall require the same in writing of any sub-contractors utilized for this project.

### **Evaluation Criteria**

Members of the governing body will review and rate each responsive proposal based on the following criteria:

- The ability, capacity, and skill of the bidder to provide the service required or perform the contract; as well as adequacy of team/resources to complete the project within the proposed timeframe
- Whether the bidder can provide the service or perform the contract in a prompt timeframe as specified, without delay or interference;
- The total price of the bid to provide the service or perform the contract;
- The character, integrity, reputation, judgment, experience, and efficiency of the bidder in providing similar services to municipalities.
- The quality of performance of previous services or contracts;
- The previous and existing compliance by the bidder with laws and ordinances relating to the service or contract;
- The sufficiency of the financial resources and ability of the bidder to provide the service or perform the contract;
- The quality, availability, and adaptability of the supplies or contractual services to the particular use required;

- The ability of the bidder to provide future maintenance and service for the use of the subject of the contract;
- The number and scope of conditions attached to the bid;
- Whether local preference is granted to a bidder or not.
  
- Detailed project plan, identification of unique issues related to project, and the process proposed for communications with City staff.
- Key personnel who will be assigned to the City's project, and their experience with similar projects.
- Applicable resources offering quality assurances/quality control procedures;
- References for similar projects with comparable municipalities and industries within the past 5 years.

**Questions:** Please direct all questions regarding this RFP to:

Cyndra Kastens, City Administrator  
[ckastens@anthonykansas.org](mailto:ckastens@anthonykansas.org)  
124 S Bluff – P.O. Box 504  
Anthony, KS 67003  
(620)842-5434