



March 30, 2012

Jean Premutati, PHR
Management Services Administrator
Marina Coast Water District
11 Reservation Road
Marina, CA 93933

Dear Ms. Premutati and Selection Team:

Pursuant to your RFP, we are pleased to submit our proposal to assist the District with a Classification and Compensation Study. We specialize in this field, and have provided similar services for more than 1,000 public employers throughout the US, including more than 50 California employers and several Utility and Resource Management Districts.

We believe our firm and full time staff members are uniquely qualified to perform this project. We performed the City of Seaside's most recent total compensation study, and are now commencing with a classification and compensation study for the City of Pacific Grove.

Our proposed approach will be customized to meet the District's unique needs. We are confident that our extensive public employers classification and compensation experience, knowledge of public employers in California, large specialized and highly qualified full time staff, proven methods, unique **EZ COMP™** application to ensure your self-sufficiency, and one year of implementation support and assistance at no cost, will achieve all of the District's objectives for an important project of this nature.

We appreciate the District's consideration of our proposal. I will be your primary contact for this submittal, act as our firm's responsible agent with authority to bind our firm, and below is my contact information. We would welcome the opportunity to further present our qualifications and interest in person should that assist the District with this important decision.

Sincerely,

Matthew Weatherly
President

(888) 522-7772 PH
(480) 970-6019 FX
mweatherly@compensationconsulting.com

cc: Kay Tilzer, Senior Consultant, **PSPC-Sacramento**

PROPOSAL TO CONDUCT A CLASSIFICATION AND COMPENSATION STUDY FOR THE MARINA COAST WATER DISTRICT

TABLE OF CONTENTS

<u>Section</u>		<u>Page</u>
1	INTRODUCTION - DESCRIPTION OF FIRM	
	<i>HISTORY AND FACTS ABOUT OUR FIRM</i>	1
	<i>UTILITY / RESOURCE MANAGEMENT EMPLOYERS SERVED</i>	2
	<i>REPRESENTATIVE CALIFORNIA EMPLOYERS SERVED</i>	3
2	CLIENT REFERENCES	4
3	QUALIFICATIONS AND EXPERIENCE OF STAFF	
	<i>PROJECT TEAM ORGANIZATION CHART</i>	5
	<i>RESUMES OF PROJECT TEAM MEMBERS</i>	6
4	PROJECT APPROACH AND METHODOLOGY	
	<i>SUMMARY OF SERVICES FOR THE DISTRICT</i>	8
	<i>PROJECT SCOPE AND METHODOLOGY</i>	9
	A. <i>OBJECTIVES OF THE PROJECT</i>	9
	B. <i>SCOPE OF THE PROJECT</i>	9
	C. <i>PROJECT METHODOLOGY</i>	9
	1. Quality Assurance	9
	2. Project Planning Meetings and Communication Plan Development	9
	D. <i>POSITION CLASSIFICATION</i>	10
	1. Review of Essential Tasks – Position Analysis Questionnaire	10
	2. Employee Worksite Job Information Interviews	10
	3. FLSA Status Determination	10
	4. Position Classification	10
	5. Updated Job Descriptions	11
	6. Draft Classification Plan Reviews	11
	7. Resolution of Employees' Classification Reviews	11
	8. Optional Approaches to Ensure Internal Equity	11
	E. <i>EXTERNALLY COMPETITIVE COMPENSATION PLAN</i>	12
	1. District Involvement in Compensation Plan Development	12
	2. Comprehensive Compensation Survey	12
	3. Prevailing Rates Calculation	13
	4. Compensation Competitiveness Comparison	13
	5. Compensation Competitiveness Policy	13
	6. Salary Plan Structure Development	13
	7. Salary Range Assignment Development	13
	8. Implementation Plan Development	13
	9. Draft and Final Report Preparation	14
	10. Final Report Presentations	14
	11. EZ COMPTM Program Installation	14
	12. Implementation Warranty	14

(CONTINUED ON NEXT PAGE)

PROPOSAL TO CONDUCT A CLASSIFICATION AND COMPENSATION STUDY FOR THE MARINA COAST WATER DISTRICT

TABLE OF CONTENTS

<u>Section</u>		<u>Page</u>
	<i>F. ENSURING THE DISTRICT'S SELF-SUFFICIENCY</i>	14
	1. Procedure Manuals	14
	2. Training Workshop	14
	3. Electronic Job Description Library	14
	4. EZ COMP™	14
	5. Initial Year's Implementation Warranty Support	14
	<i>G. EXTENSIVE EMPLOYEE INCLUSION AND COMMUNICATION</i>	15
	<i>H. MINIMAL DISTRICT SUPPORT REQUIRED</i>	15
5	TIMELINE <i>ELAPSED PROJECT TIME CHART – GANTT CHART</i>	16
6	PROJECT COST	17
7	PSPC BOOKLETS – SEPARATE ATTACHMENT <i>PSPC BOOKLET: "Communicating the Project to the Employees"</i> <i>PSPC BOOKLET: "EZ COMP™" Program Description</i>	-
	PSPC EZ COMP™ DEMO available at www.compensationconsulting.com	

**PROPOSAL TO CONDUCT A
CLASSIFICATION AND COMPENSATION STUDY FOR THE
MARINA COAST WATER DISTRICT**

INTRODUCTION

*HISTORY AND FACTS ABOUT OUR FIRM
UTILITY / RESOURCE MANAGEMENT EMPLOYERS SERVED
CALIFORNIA EMPLOYERS SERVED*

HISTORY AND FACTS ABOUT OUR FIRM

- **HISTORY OF OUR FIRM**

Public Sector Personnel Consultants (PSPC) originated in 1972 with the Public Sector Group of the international human resources consulting firm of Hay Associates. PSPC was established as an independent firm in 1982. We are a single-owner, debt-free subchapter-S corporation.

- **REGIONAL STAFF**

We have regional offices or affiliates in Sacramento, CA, San Diego, CA, Los Angeles, CA, Austin, TX, Columbus, OH, Chicago, IL, Dallas, TX, Denver, CO, Kansas City, MO, St. Paul, MN, Santa Fe, NM, Seattle, WA, and Tempe, AZ.

- **SPECIALIZED IN COMPENSATION SERVICES**

We are "super-specialists" in compensation, providing services in job analysis, position classification, job content evaluation, compensation, and directly related services. **Over 98% of our classification and compensation studies have been successfully implemented by our clients.**

- **SPECIALIZED IN PUBLIC SECTOR CLIENTS**

We provide services exclusively to public sector employers including municipalities, counties, utility districts, library districts, special districts, state governments, housing and redevelopment agencies, airport authorities, school districts, higher education, and tribal governments.

- **SPECIALIZED COMPENSATION STAFF**

Our staff is comprised of eight (8) full time and an additional five (5) part time senior human resources professionals with very extensive experience as compensation managers and consultants for public employers. Our staff has more than 100 years of combined experience working for and consulting to public sector employers.

- **OVER 1,000 PUBLIC EMPLOYERS SERVED**

Our staff members have provided compensation, human resources, training and related consulting services to more than 1,000 public and 200 private employers throughout the U.S.

- **AMERICAN COMPENSATION ASSOCIATION PARTICIPATION (ACA) (NOW WORLDATEWORK)**

Our consultants are active members of ACA, including serving as instructors for the ACA certification courses.

- **SPECIALIZED COMPENSATION AND RELATED RESOURCES**

We utilize our **EZ COMP™** salary survey and plan program, modified **FES** point-factor job evaluation system, **AEP™** performance evaluation plan, and **SNAP™** staffing needs analysis program.

- **FIRST YEAR IMPLEMENTATION WARRANTY**

We provide our clients with extensive implementation support during the first year, and we will analyze, evaluate, classify, and provide a salary range recommendation for any new or changed position or entire job class, at no additional cost.

REPRESENTATIVE UTILITIES AND RESOURCE MANAGEMENT EMPLOYERS SERVED BY OUR STAFF MEMBERS

Big Bear Lake Department of Water and Power, CA

Board of Public Utilities, Cheyenne WY

Bryan Board of Light/Water, OH

Castro Valley Sanitary District, CA

Cedar Falls Utilities, IA

Chicago Metro Sanitary District, IL

City of Tracy Public Water Department, CA

Clark County Sanitation District, NV

Des Moines Water Works, IA

Goforth Water System, TX

Grant County Public Utility District, WA

Johnson County Water District, KS

Lake LBJ Municipal Utility District, TX

Las Vegas Valley Water District, NV

Maricopa County Flood Control, AZ

Metro Sewerage Dist – Buncomb County, NC

Metro Water District, IL

Middle Rio Grande Irrigation District, NM

Milwaukee Metro Sewer District, WI

Muscatine Power and Water, IA

Navajo Tribal Utility Authority, AZ

North Table Mountain Water District, CO

Sacramento Regional Sanitation District, CA

Sacramento Municipal Utility District, CA

Salt Lake City Metro Water District, UT

St. Louis Metro Sanitary District, MO

Victor Valley Water Reclamation Authority, CA

Water and Sewer Authority, AFGE Local 631, DC

Water Facilities Authority, CA

Waverly Light and Power Authority, IA

REPRESENTATIVE CALIFORNIA PUBLIC EMPLOYERS SERVED

Following is a listing of California public employers served by members of our staff. *Some were served while our staff members were with other consulting firms such as Hay Associates, Hewitt Associates or Commonwealth Personnel Services, prior to joining our firm.*

Apple Valley, Town of	Norco, City of
Banning, City of	North County Fire Protection District
Big Bear Lake Department of Water	Oakland County
Buena Park, City of	Oakland Housing Authority
Burbank, City of	Oakland, City of
CA Family Health Council	Palm Springs, City of
CA State University	Pasadena, City of
Calexico, City of	Placentia, City of
California, University of	Pleasanton, City of
Capitol Area Development Authority	Public Employers Risk Management Authority
Castro Valley Sanitary District	Redwood City, City of (Police Department)
Compton, City of	Rialto, City of
Contra Costa Junior College	Ridgecrest School District
Corcoran, City of	Riverside County
Covina, City of	Riverside School District
Culver City, City of	Rosemead, City of
Downey, City of	Sacramento Housing Authority
El Centro, City of	Sacramento Municipal Utility District
El Monte, City of	Sacramento Regional Sanitation District
El Segundo, City of	Sacramento, City of
Fresno State College	San Bernardino Associated Governments
Gardena, City of	San Clemente, City of
Glendale, City of	San Diego County
Harbor General Hospital	San Diego, City of
Hawaiian Gardens, City of	San Francisco State College
Hawthorne, City of	San Jose, City of
Hemet, City of	San Juan Capistrano, City of
Housing Authority of Alameda County	San Juan Public Schools
Huntington Beach, City of	Santa Ana, City of
Indio, City of	Santa Barbara County
Inglewood, City of	Santa Cruz County
Inland Valley Dev Agency / SBAA	Santa Cruz, City of
Lake Tahoe Community College	Santa Monica, City of
Lakewood, City of	Seaside, City of
Lawndale, City of	Sisters of St. Joseph
Lincoln, City of	Solana Beach, City of
Lompoc, City of	South Gate, City of
Long Beach, City of	Stockton, City of
Los Angeles Community Colleges	Susanville Public Schools
Los Angeles County	Sutter-Yuba Counties Health Department
Los Angeles County Police	Torrance, City of
Los Angeles, City of	Tracy, City of
Mendocino College	Valencia, City of
Monterey Park, City of	Ventura County Housing Authority
Monterey/Salinas Transit	Victor Valley Wastewater Reclamation Authority
Moro Bay, City of	Visalia, City of
Morongo Valley Schools	Water Facilities Authority
Mountain View, City of	West Covina, City of
National City, City of	Yorba Linda, City of
Needles, City of	Yuba City, City of

**PROPOSAL TO CONDUCT A
CLASSIFICATION AND COMPENSATION STUDY FOR THE
MARINA COAST WATER DISTRICT**

CLIENT REFERENCES

CLIENT REFERENCES

Following are agencies which are representative of the more than 1,000 public employers, including more than 100 in California, for whom members of our firm have provided job analysis, salary and benefits survey, competitiveness or staffing analysis, and salary and benefit plan development services, similar to those requested by the District.

SEASIDE, CITY OF

Ms. Roberta Greathouse
Personnel Services Manager
440 Harcourt Avenue
Seaside, CA 93955
(831) 899-6713
RGreathouse@ci.seaside.ca.us

Compensation Survey and FY 2009 Salary Plan

CAPITOL AREA DEVELOPMENT AUTHORITY (CADA)

Ms. Jill Azevedo, PHR
Human Resources Manager
1522 14th Street
Sacramento, CA. 95814
(916) 323-9814
JAzevedo@cadanet.org

Compensation Survey and FY 2011 Salary Plan
Original Compensation Survey and FY 2006 Salary Plan

SAN CLEMENTE, CITY OF

Mr. Sam Penrod
Human Resources Manager
100 Avenida Presidio
San Clemente, CA 92672
(949) 361-8313
PenrodS@san-clemente.org

Position Classification and FY 2009 Compensation Plan

APPLE VALLEY, TOWN OF

Mr. Frank Robinson
Town Manager
14955 Dale Evans Parkway
Apple Valley, CA 92307
(760) 240-7000 x7051
frobinson@applevalley.org

Compensation Survey and FY 2011 Salary Plan
Original Compensation Survey and FY 2009 Salary Plan

RIALTO, CITY OF

Ms. Eileen Dienzo
Human Resources Manager
150 S. Palm Avenue
Rialto, CA 92376
(909) 820-2599
edienzo@rialtoca.gov

Compensation Survey Update and FY 2009 Salary Plan
Position Classification and FY 2006 Salary Plan

GRANT COUNTY PUBLIC UTILITY DISTRICT, WA

Ms. Darla Shannon
Human Resources Manager
30 C Street SW
Ephrata, WA 98823
(509) 793-1569
Dshanno@gcpud.org

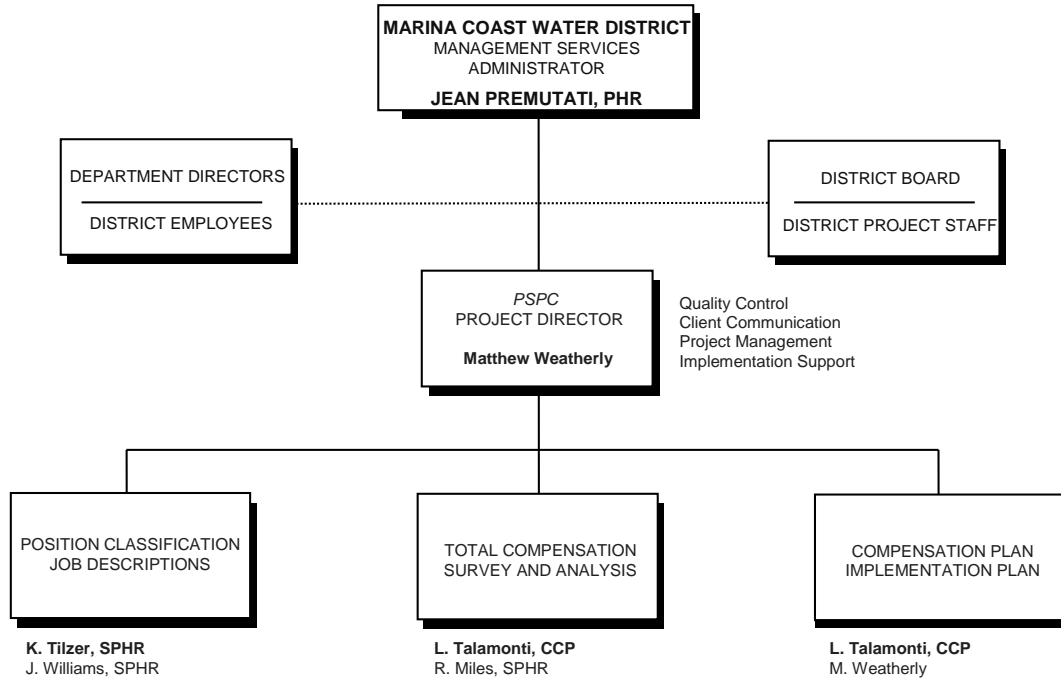
FY 2011 Salary Survey

**PROPOSAL TO CONDUCT A
CLASSIFICATION AND COMPENSATION STUDY FOR THE
MARINA COAST WATER DISTRICT**

QUALIFICATIONS OF OUR STAFF

*PROJECT TEAM ORGANIZATION CHART
RESUMES OF PROJECT TEAM MEMBERS*

MARINA COAST WATER DISTRICT PROPOSAL TO CONDUCT A CLASSIFICATION AND COMPENSATION STUDY PROJECT TEAM ORGANIZATION CHART



Position Analysis Questionnaire
Job Information Interviews
Updated Job Descriptions
Job Analysis and Position Classification
FLSA Designations
Alignment with Performance Plans
Implementation Support

Market Definition
Benchmark Definitions
Data Collection
Data Validation
Statistical Reports
Market Comparison
Implementation Support

Competitiveness Strategy
Salary Range Assignments
Total Compensation Analysis
Fiscal Impact Analysis Scenarios
EZ COMP™ Installation
Board Staff Training
Implementation Support

MATTHEW E. WEATHERLY, PRESIDENT AND OWNER

Mr. Weatherly has over 15 years of experience as a human resources management professional and consultant, specializing in position classification, compensation, recruitment and selection. He has served as a Human Resources Manager with Employee Solutions, Inc. and Staffing Consultant with Initial Staffing Services.

He has completed projects in staff development, recruitment, selection, job descriptions, salary survey, and salary plan development. Among his recently completed consulting projects include:

<i>Banning, City of, CA</i>	<i>North County Fire, CA</i>	<i>Rialto, City of, CA</i>
<i>Big Bear Lake, City of, CA (WPD)</i>	<i>Palm Springs, City of, CA</i>	<i>San Clemente, City of, CA</i>
<i>Inglewood, City of, CA</i>	<i>Pomona, City of, CA</i>	<i>San Juan Capistrano, City of, CA</i>
<i>IVDA / San Bernardino Airport, CA</i>	<i>Redwood City, CA</i>	<i>Tracy, City of, CA</i>

Mr. Weatherly holds a BS degree in Human Resources Management from Arizona State University.

ELIZABETH J. TALAMONTI, CCP

Ms. Talamonti has over 30 years of experience as a compensation manager and consultant for public and private employers, specializing in job analysis, salary surveys, and salary plan development. She has served as Compensation Research Associate for Hayes/Hill, Inc., Senior Compensation Analyst for AON Corporation, Compensation Manager for Loyola University, and Project Manager for the American Compensation Association.

She has conducted projects in job audits, job descriptions, salary surveys, compensation database management, compensation plan development, compensation training course development, and compensation trend research. Among her consulting projects are:

<i>Apple Valley, Town of, CA</i>	<i>Huntington Beach, City of, CA</i>	<i>Sacramento, City of, CA</i>
<i>California Family Health Council</i>	<i>Oakland, City of, CA</i>	<i>Seaside, City of, CA</i>
<i>El Paso, City of, TX</i>	<i>Pomona, City of, CA</i>	<i>Stockton, City of, CA</i>
<i>Fresno, City of, CA</i>	<i>Riverside, City of, CA</i>	<i>Ventura Housing Authority, CA</i>

Ms. Talamonti holds a BS degree in Business Administration from Arizona State University. She holds the Certified Compensation Professional (CCP) designation from the American Compensation Association.

KATHERINE TILZER, SPHR

Ms. Tilzer has more than 15 years of experience as a human resources manager and consultant, specializing in employee relations, compensation and recruitment. She has served as Personnel Manager for Laboratory Corporation of America, Director of Human Resources for Plaza Healthcare Inc., and Director of Human Resources for American Baptist Homes.

Among her recent consulting engagements are those for:

<i>Azusa, City of, CA</i>	<i>Lake Havasu City, AZ</i>	<i>Sacramento County San Dist, CA</i>
<i>Castro Valley Sanitary Dist., CA</i>	<i>Menlo Park Fire Dist., CA</i>	<i>San Bernardino Govt's, CA</i>
<i>El Paso County, TX</i>	<i>Monterey Transit Dist., CA</i>	<i>Tomball, City of, TX</i>
<i>Frisco, City of, TX</i>	<i>Reg'l Trans Comm, NV</i>	<i>Water Facilities Authority, CA</i>

Ms. Tilzer holds BS degree in Management from the University of Phoenix, and certification as Senior Professional in Human Resources from the Society for Human Resources Management.

JUDE WILLIAMS, SPHR

Ms. Williams has more than 25 years of experience as a human resources manager and consultant for public employers, specializing in employee development, classification, and compensation. She has served as Assistant Director of Human Resources for HS Healthcare, Regional Human Resources Manager for ManorCare Health Services, and Director of Human Resources for the City of Bettendorf, IA.

She has completed projects in job analysis, position classification, compensation surveys and plan development. Among her consulting projects are those for:

<i>Austin Housing Authority, TX</i>	<i>Kansas City, MO (WSD)</i>	<i>Ogallala, City of, NE</i>
<i>Cedar Falls Utilities, IA</i>	<i>Libertyville, Village of, IL</i>	<i>Rosemead, City of, CA</i>
<i>Corcoran, City of, CA</i>	<i>Lincoln, City of, CA</i>	<i>Santa Cruz County, AZ</i>
<i>Dallas Housing Authority, TX</i>	<i>Muskego, City of, WI</i>	<i>Waukeee, City of, IA</i>

Ms. Williams holds a BS degree in Business Education from the University of Illinois and designation as Professional in Human Resources (PHR) from the Society for Human Resources Management.

ROBERT A. MILES, SPHR

Mr. Miles has over 25 years of experience as a human resources manager and consultant for public employers, specializing in position classification and compensation. He has served as Personnel Analyst for the City of Ft. Lauderdale, FL, Personnel Manager for the City of West Palm Beach, FL, Director of Human Resources for the Palm Beach County Sheriff's Department, FL., AND Deputy Personnel Director for the City of Springfield, OH.

He has conducted projects in job analysis, position classification, job evaluation, compensation surveys, compensation plan development, employee relations, recruitment, EEO and affirmative action. Among his recent client projects are those for:

<i>Baytown, City of, TX</i>	<i>Eagle Pass, City of, TX</i>	<i>Maricopa County, AZ</i>
<i>Compton, City of, CA</i>	<i>Hamilton County, TN</i>	<i>Maricopa Housing Auth, AZ</i>
<i>Dallas Housing Auth, TX</i>	<i>Huntington Beach, CA</i>	<i>Pasadena, City of, CA</i>
<i>El Paso, City of, TX</i>	<i>Jefferson County Appraisal Dist, TX</i>	<i>South Padre Island, TX</i>

Mr. Miles holds a BS degree in Business Administration (cum laude) from Central Ohio State University and the designation as Senior Professional in Human Resources (SPHR) by the Society for Human Resources Management.

**PROPOSAL TO CONDUCT A
CLASSIFICATION AND COMPENSATION STUDY FOR THE
MARINA COAST WATER DISTRICT**

PROJECT APPROACH AND METHODOLOGY

*SUMMARY OF SERVICES FOR THE DISTRICT
PROJECT SCOPE AND METHODOLOGY*

PUBLIC SECTOR PERSONNEL CONSULTANTS

SUMMARY OF SERVICES FOR THE DISTRICT

PUBLIC SECTOR PERSONNEL CONSULTANTS (PSPC) proposes the following program of consulting services and implementation support to achieve all of the objectives stated in the **MONTEREY PENINSULA WATER MANAGEMENT DISTRICT (the District)** Request for Proposal to conduct a classification and compensation study.

Project Planning and Communication

1. Project planning and scheduling meeting with the District's Administrative Services staff, designee(s)
2. Policy input and project direction meeting and briefing with Board of Directors and/or designee(s)
3. Project briefing presentation for the Board, District officials, employees, and District's project leaders
4. Assistance with management and employee communication throughout class and comp project phases
5. Consultations with and progress reports for the Administrative Services and Human Resources staff

Classification Project Tasks

6. Occupational familiarization by review of District's current job descriptions and compensation plans
7. Organizational familiarization by review of District organization charts, budgets, and annual reports
8. Position Analysis Questionnaire (PAQ) customized for gathering District employee occupation data
9. Meetings to distribute and explain the PAQ and the project for all District officials, employees, Board
10. Worksite job information interviews / desk audits and field observations with each District employee
11. Determination of job classification and FLSA Exempt / Non-Exempt designation for each position
12. Recommended title modifications and reclassifications for consideration by department heads
13. Review of position classification recommendations with Administrative staff, respective departments
14. Preparation of updated ADA/EEO-compliant classification specifications for each District job class
15. Resolution of employee reviews of classification recommendations and draft class specifications

Comprehensive Compensation Survey

16. Confirmation or identification of District's competitive employment areas for compensation survey
17. Confirmation or identification of District occupations to utilize as survey benchmark job classifications
18. Development of compensation survey data collection, tabulation, and quality control protocol
19. Solicitation of comparator employers and agencies for participation in external compensation surveys
20. Extraction of data from questionnaires, published surveys and public employer compensation plans
21. Consolidation of data from all sources and calculation of prevailing rates for benchmark jobs
22. Computation of extent District's compensation offerings vary from external prevailing rates and practices
23. Review of competitiveness analysis with General Manager, Admin staff, District's project designee(s)

Compensation Plan Development

24. Construction of optional salary range structures for review and selection by the District's project leaders
25. Assignment of job classes to salary ranges by internal equity and external competitiveness
26. Assistance with Board of Directors identification of desired, affordable salary competitiveness policy
27. Fiscal impact estimates at various levels of external prevailing rates competitiveness policies
28. Review and critique of draft salary plan with General Manager, Admin staff, District's project leaders

Communication of Results and Implementation Strategies

29. Preparation and presentation of a final project report for the Board of Director and District Officials
30. Development of a plan for the implementation of the District's updated class and comp plan
31. Uploading of **EZ COMP™** program files on a Human Resources Department computer and staff training
32. Development and provision of process for ongoing plan maintenance and subsequent plan updates
33. Assistance with communicating District's updated plans for all District officials and employees
34. One year classification and compensation plan maintenance assistance at no cost to District

PROJECT APPROACH AND METHODOLOGY

Following is our overall work plan and approach to achieving the District's objectives for the conduct of a classification and compensation study, including employee interviews and updated classification specifications.

A. OBJECTIVES OF THE PROJECT

The recommended plans, programs, systems and administrative procedures will meet these ten most important criteria.

- Internally equitable
- Externally competitive
- Readily understood
- Easily updated & maintained
- Legally compliant & defensible
- Financially responsible
- Efficiently administered
- Inclusive of employee input
- Reflective of District's values
- Reflective of prevailing "best practices"

B. SCOPE OF THE PROJECT

The project includes a management and employee communication plan; partnership with the District's Management Services staff, General Manager, and project designee(s); occupational, organizational, and operational familiarization; Position Analysis Questionnaire (PAQ) and job analysis for included classifications; worksite job information interviews; position classification and job title recommendations for all employees and classifications; updated ADA/EEO-compliant job descriptions; **EZ COMP™**; internal equity and external competitiveness evaluation; compensation surveys and competitiveness analysis; salary range recommendations; fiscal impact estimates; updated classification and compensation plan and one year of classification and compensation plan implementation support for approximately 33 employees in an estimated 22 occupational job classes.

C. PROJECT METHODOLOGY

1. Quality Assurance

To ensure a high quality project, we have built in several layers of procedural and statistical controls, in addition to those already in **EZ COMP™**. Internally, we follow a prescribed series of steps in each project phase, which are reviewed by our Project Director. We request that the Management Services staff and District's Project Manager(s) review our work to minimize the chance of errors and to ensure that it reflects the District's organizational values.

2. Project Planning Meetings and Communication Plan Development

We will consult with the General Manager, District Officials or representatives on a communication strategy, plan, and materials, beginning prior to the project and extending to the post-project information meetings. We plan to conduct group pre-project meetings for all District officials and employees where we will discuss the project's scope, answer questions, and distribute and explain the Position Analysis Questionnaire.

See "Communicating the Project to the Employees" in the Appendices for additional information regarding our approach to employee inclusion and communication.

D. POSITION CLASSIFICATION

1. Review of Essential Tasks - Position Analysis Questionnaire

We will review and analyze the current essential tasks, duties and responsibilities, and minimum qualifications of each included position through the Position Analysis Questionnaire (PAQ) to be completed by each employee (or group of employees with identical jobs) in print or electronic format. If the information on the PAQ does not clearly delineate the position's scope of responsibilities, we may return the PAQ to the position's incumbent for additional information, or focus on the data gap during a worksite job information interview.

2. Employee Worksite Job Information Interviews

We will conduct a worksite job information interview with each incumbent of every included District job classification. The purpose of these interviews is to verify the data on the PAQ, obtain additional insight into the scope and complexity of the job duties, observe technical processes and working conditions, and to provide employees with an additional method of participation in the project. This process also ensures that we make all internal and external comparisons on the basis of **actual job content** and not merely job title.

3. FLSA Status Determination

We will review the essential tasks and minimum qualifications of each of the District's job classifications and subject them to the Fair Labor Standards Act tests to determine their exempt or non-exempt status.

4. Position Classification

Each of the District's positions will be analyzed and evaluated to determine their primary characteristics, including:

- Is there a current District occupational job group comprised of job classes with essential functions similar to the subject position; if so:
- To which of the group's job classes, and at what level, are the subject position's essential functions similar to the subject position, and if so:
- Are they sufficiently comparable (+/- 20% guideline) to be allocated to that job class, utilize the same job title, require the same minimum qualifications, and be assigned to the same salary range.
- If the District does not currently have a sufficiently comparable job class, what should be the subject position's occupational job class and title, and:
- What should the recommended occupational classification action be, No Change (N), Title Change (T), Merge With Other Job Class (M), New Job Class (J).
- We may find that a job class is overly broad and encompasses several job activities which are regarded with significant salary difference in the marketplace. In such an instance, we will recommend "splitting" the job class into the current job class and a new job class which encompasses the different job activities.

5. Updated Job Descriptions

As needed, we will prepare an updated ADA/EEO-compliant job description in the District’s standard or other selected format for each occupational job class. Focus will be on the Essential Functions to conform with ADA guidelines. The specifications or descriptions may include (not limited to) the following components:

Job Title – Definition	Education, Training and Experience	Physical Requirements
Distinguishing Characteristics	Licenses and Certifications	Non-Essential Functions
Essential Functions	FLSA Exempt/Non-Exempt Status	Mental Requirements
Desired Knowledge and Skills	Supervision Exercise/Received	Working Conditions

6. Draft Classification Plan Review with Human Resources and Department Heads

We will conduct a review of our initial position classification recommendations and draft class specifications with the Management Services staff and respective department heads to identify possible errors, obtain feedback, and solicit suggestions for clarification.

7. Resolution of Employees’ Classification Reviews

We will provide the District with a process for employees to review our initial occupational job classification of their position, and provide a form for them to complete if they feel that an error has been made or to provide significant additional job content information.

Depending on the action recommended by the respective department heads we may conduct a second job analysis and will inform the District and project designee(s) of our final recommendation.

8. Optional Approaches to Ensure Internal Equity

If desired, and for precision in job class analyses, and subsequent salary range determinations, we may utilize one of several job evaluation systems widely in use, including the Hay Method, Decision Band Method (DBM), and the **Factor Evaluation System (FES)**. **FES** is the most extensively validated and commonly utilized quantitative job evaluation system for public sector occupations, consisting of the following flexible compensable factors.

Knowledge Required	Personal Contacts	Complexity
Supervisory Controls	Scope and Effect	Work Environment
Guidelines Provided	Supervision Exercised	Physical Demands

The job class hierarchy based on job points will reflect the District’s relative internal job worth values. The District’s annual salary competitiveness policy will be translated into a mathematical formula which, when combined with the job points of each District job class, will determine the proper salary range for each job class and position. This balances internal equity (job points relationships) with external competitiveness (market relationship formula).

a. Optional Approach A – FES System – We will train a task force of representative District employees in the adaptation of the **FES** point-factor job content evaluation system to the District’s job worth values, guide them in the evaluation of a structured benchmark of job classes, conduct QC reviews, and evaluate the remaining job classes within the relative job worth structure established by the task force. We can provide the District with manual or automated versions of this system.

b. Optional Approach B – Custom Designed System for the District – We will train and guide a task force of representative District employees in the design of a point-factor system of job content evaluation total reflecting the District’s relative job worth values, and proceed as in Approach A. We can provide the District with an automated version of the system once it has been developed with the task force.

E. EXTERNALLY COMPETITIVE COMPENSATION PLAN

1. District Involvement in Compensation Plan Development

We will obtain policy direction from the General Manager, Management Services staff, and/or District Officials on the following key components of the salary plan development process:

- Comparator Employer Selection
- Benchmark Job Class Selection
- Compensation Competitiveness Policy
- Salary Structure Selection
- Job Evaluation Method-Salary Plan Linkage
- Draft Compensation Plan Review / Critique
- Total Compensation Points for Analysis
- Project Implementation Plan

2. Comprehensive Compensation Survey

a. Data Collection Protocol will be developed in consultation with the District's project leaders to determine which salary data elements to include, such as:

Base Salary Information

- Salary grade/step or open range salary plan structure
- Salary range structure Minimum, Midpoint, and Maximum
- Average actual salary of all incumbents in the job class
- Method of salary administration – longevity, merit, or skill

Total Compensation Information

- Financial Security, s/a retirement contributions, deferred comp, savings plans
- Insured benefits, s/a medical, dental, life, vision, LTD etc.
- Supplemental pay items for special qualifications/certifications
- Individual or group incentive plans, bonus, awards, stipends
- Pay for time not worked, s/a vacation, holidays, sick leave
- Overtime policy, shift differentials, standby and/or recall pay

b. Benchmark Job Selection will be made by identifying District job classes common to its employment-competitive public and private employers in the immediate area and throughout the region or State, clearly identifiable, and representative of standard occupational job groups.

c. Comparator Employers Identification will be made in consultation with the District's Project Manager(s) and Board. Criteria include their degree of competition to the District in obtaining and retaining high quality staff, their location in the District's traditional recruitment areas, and their organizational size and complexity.

d. Compensation Data Collection will be made by one or more of the following methods.

- Pre-survey contact with the selected comparator employers to solicit participation in the District's compensation survey(s)
- Extraction from the pay plans of designated public employers.
- Customized salary and total compensation survey questionnaires for local governments and other public and private employers, distributed by mail, fax, and e-mail.
- As desired, additional data extraction from established salary surveys such as AWWA, BLS and commercial survey sources such as Watson Wyatt and ERI.

e. Data Quality Control includes editing data for accuracy and proper matching to the District's survey benchmark jobs, and phone/fax/E-mail follow-ups for data clarification and to obtain comparators' benchmark job descriptions.

3. Prevailing Rates Calculation

We will consolidate the compensation data from all sources, enter the information into the **EZ COMP™** program, and compute the prevailing rates, inclusive of cost of living differentials, as the statistical mean of the survey data for each benchmark job class. Data will be projected forward from the date of collection to a common date relating to the District's salary plan year by the annual Prevailing Rate Increase Factor (PRI) applicable at that time.

4. Compensation Competitiveness Comparison

We will provide the District with charts comparing its current salary structures to those of the selected public and private comparator employers. We will calculate the extent that the District's offerings vary from the prevailing rates and practices of other relevant employers.

5. Compensation Competitiveness Policy

We will assist the District to select a compensation competitiveness policy which best fits its compensation strategy and financial resources, by providing fiscal impact estimates at various percentage relationships to the prevailing rates.

6. Salary Plan Structure Development

We will review the District's current employee agreements and wage plans and **1)** utilize the District's current wage plan structures to identify internally equitable and externally competitive salary ranges for each District job class or **2)** prepare alternative salary range structures and schedules for the District and the General Manager to select the best fit for its competitiveness strategy, with these optional criteria:

- Method of administration, i.e.: measured job performance, longevity, or skill
- Width of the salary ranges, grades, or broad bands, from Minimum to Maximum
- Varying salary range widths for FLSA non-exempt or exempt positions
- Open salary ranges for pay-for-performance or variable compensation plan
- If steps within the salary ranges, number of steps, percentage separation
- Number of salary ranges, grades, or broad bands in the salary schedule
- Percentage of separation between salary ranges, grades or broad bands
- Recognition for longevity, unique assignments, and special skill requirements
- Remuneration for required special licenses, certifications and registrations
- Linkage of performance evaluations to merit increase opportunities

7. Salary Range Assignment Development

We will assign each job classification to a salary range in the District's current or selected new salary structure on the basis of a combination of factors, including:

- the prevailing rates for the benchmark job classes
- its current relationship to similar or occupationally related job classes
- the 15% guideline for salary range separation between sequential job classes
- the 25% guideline for salary separation of a department head job class
- its quantitative evaluated internal job worth value (job evaluation points)

8. Implementation Plan Development

We will consult with the General Manager and project staff on a plan for transition to the recommended plan, including a timetable for the principal activities, employee communication, impact on collective bargaining processes, and estimates of required financial resources.

9. Draft and Final Report Preparation

We will provide the District's project leader(s) with a draft of our report for review and critique, including the classification plan, FLSA designations, compensation market data, salary comparison tables, fiscal estimates, salary range listings, and implementation procedures. We will incorporate their critique into the development of a final report summarizing the project's findings, recommendations, and detailed description of the District's updated position classification and compensation plans.

10. Final Report Presentations

We will conduct a workshop or formal presentation of our final report and recommendations to the Board of Directors, General Manager, District Officials, employees and employee representatives.

11. EZ COMP™ Program Installation

We will install our **EZ COMP™** program and project files on one of the Management Services Department's computers and provide training to key staff in the maintenance and update of the classification and compensation plan.

Please see the illustrative **EZ COMP™** application at www.compensationconsulting.com.

12. Implementation Warranty

To ensure effective implementation of the new plan, we will analyze, evaluate, and provide a salary range recommendation for any new or changed job class, **at no cost to the District** for one year.

F. ENSURING THE DISTRICT'S SELF-SUFFICIENCY

The District will be self-sufficient in all aspects of maintenance of the updated position classification and compensation plan through these services.

1. Procedure Manuals

- *PSPC Position Classification Procedure Guide*
- *PSPC Salary Administration Procedure Guide*
- *MCWD **EZ COMP™** Procedure Guide*

2. Training Workshop – for District staff in position classification, job evaluation, compensation surveys, and compensation plan design and administration.

3. Electronic Class Spec Library – we will provide the District with all updated ADA/EEO-compliant classification specifications in hard copy and electronic library format for internal maintenance.

4. EZ COMP™ – program and project files on one of the District's computers, a users manual, and system training.

5. Initial Year's Implementation Warranty Support – we will analyze, evaluate, classify, and provide a salary range recommendation for any new or changed position or entire job classification, **at no cost to the District** for one year.

G. EXTENSIVE EMPLOYEE INCLUSION AND COMMUNICATION

Very important factors for successful implementation of new or updated classification and compensation plans are **1)** extensive employee inclusion, and **2)** extensive employee communication. District officials and employees will participate in one or more of the following activities:

- Attending pre-project briefings and question and answer sessions
- Completing a Position Analysis Questionnaire (PAQ) describing their position
- Elaborating on their jobs in individual or group job information interviews
- Requesting a second review of their position's occupational job classification
- Receiving information pamphlet/booklet describing the updated salary plan

H. MINIMAL DISTRICT SUPPORT REQUIRED

We are completely self-sufficient in projects of this nature and do not require any substantive staff support from the District other than payroll data, comparator employer contact information, and arrangements for group and individual meetings and interviews. We appreciate, but do not require, any office space, telephone, clerical assistance, computers, or office equipment. We will provide all data entry, data processing, duplicating, and related report preparation functions.

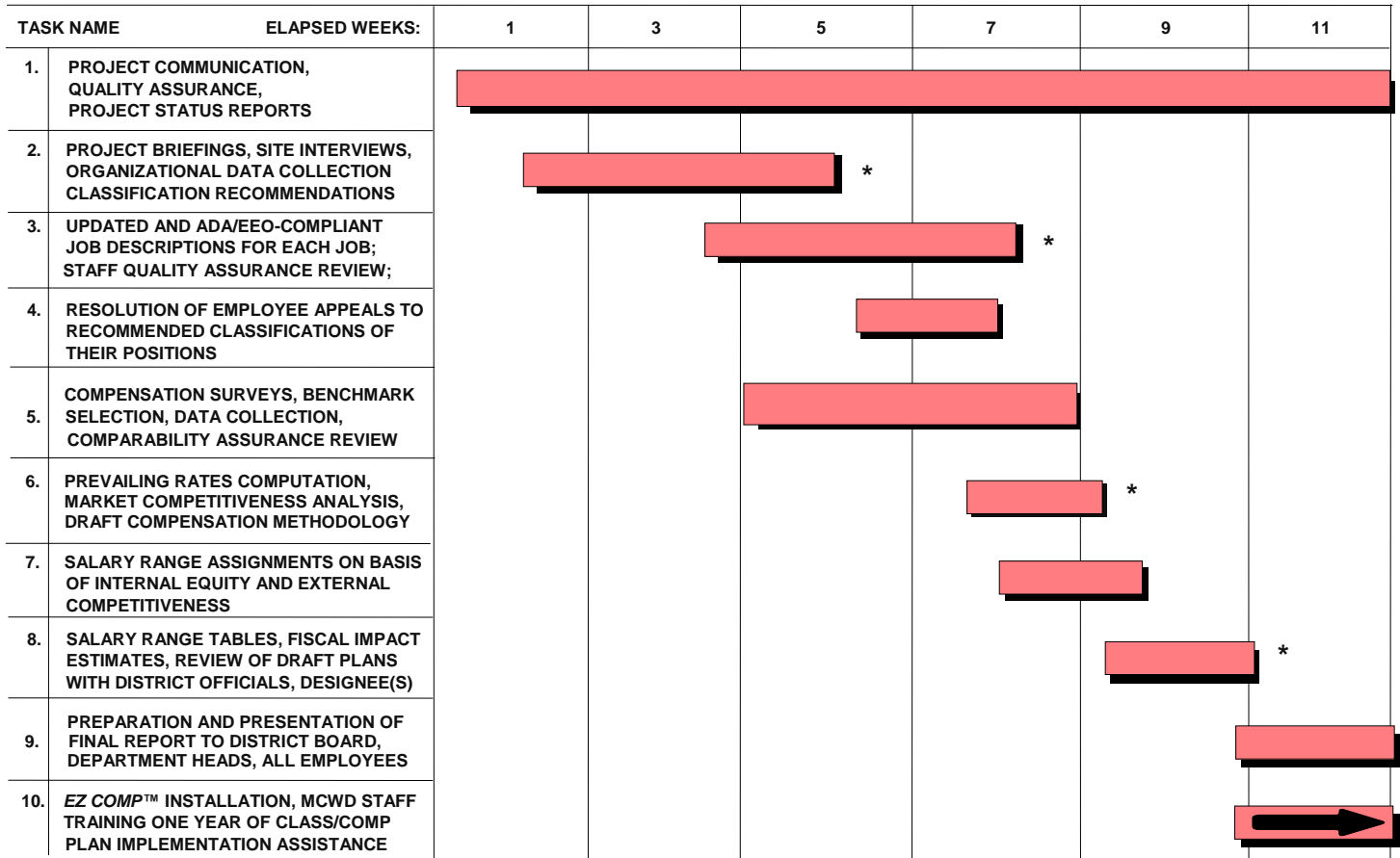
**PROPOSAL TO CONDUCT A
CLASSIFICATION AND COMPENSATION STUDY FOR THE
MARINA COAST WATER DISTRICT**

PROJECT TIMELINE

ELAPSED PROJECT TIME CHART – GANTT CHART

MARINA COAST WATER DISTRICT PROPOSAL TO CONDUCT A CLASSIFICATION AND COMPENSATION STUDY

ESTIMATED PROJECT ELAPSED TIME CHART



* Progress reviews with the Board

**PROPOSAL TO CONDUCT A
CLASSIFICATION AND COMPENSATION STUDY FOR THE
MARINA COAST WATER DISTRICT**

PROJECT COST

PROJECT COST ESTIMATES

A. PROJECT COST ESTIMATE

Bidder bears all expenses. We estimate that the project's total cost, including all fees for professional services, **will not exceed** the indicated amounts.

1. Not-To-Exceed Project Cost

The project includes a management and employee communication plan; partnership with the District's Management Services staff, General Manager, and project designee(s); occupational, organizational, and operational familiarization; Position Analysis Questionnaire (PAQ) and job analysis for included classifications; worksite job information interviews; position classification and job title recommendations for all employees and classifications; updated ADA/EEO-compliant job descriptions; **EZ COMP™**; internal equity and external competitiveness evaluation; compensation surveys and competitiveness analysis; salary range recommendations; fiscal impact estimates; updated classification and compensation plan and one year of classification and compensation plan implementation support for approximately 33 employees in an estimated 22 occupational job classes. **\$ 16,500**

2. Breakdown of Major Project Costs / Tasks

- Project Planning and Employee Briefing Meetings **\$ 1,500**
- On-Site Interviews / Desk Audits with Incumbents **\$ 3,000**
- Position Classification Recommendations and Updated Job Descriptions **\$ 3,000**
- Total Compensation and Benefits Survey **\$ 5,000**
- Compensation Plan, Implementation Plan, Reporting, Recommendations **\$ 4,000**

B. FLEXIBLE WORK PLAN, NEGOTIABLE TOTAL COST, TERMS

Our work plan is flexible and total project cost negotiable, and we will discuss, modify, add or delete, any work task to increase the project's responsiveness to the District's needs and financial resources. We do not require any advance payments, and will provide the District with monthly invoices for the professional services provided and out-of-pocket expenses incurred during the month. We request that the District pay the invoices within thirty (30) days of their receipt.