



**City of Hammond
Purchasing Department**

RFP # 22-13

**PROVIDE A COMPREHENSIVE
CLASSIFICATION, SALARY AND COMPENSATION STUDY FOR
THE CITY OF HAMMOND**

**Proposals Shall Be Received by the Purchasing Department,
City of Hammond**

Physical: 310 East Charles St, Hammond, LA 70401

Mail: PO Box 2788, Hammond, LA 70404-2788

Until

10:00 A.M. September 2, 2021

**For additional information or questions, contact:
Jana Thurman Soileau - Purchasing Manager - 985-277-5633**

SPECIFICATIONS FOR COMPREHENSIVE CLASSIFICATION, SALARY AND COMPENSATION STUDY

Only one (1) proposal shall be accepted from each proposer. Alternates shall not be accepted. Submission of more than one (1) proposal or alternates not requested may be grounds for rejection of all proposals by the proposer.

The method of delivery of proposals is the responsibility of the proposer. All proposals shall be received by the Purchasing Department, Hammond City Hall Complex, 310 East Charles Street, Hammond, Louisiana on or before 10:00am, September 2, 2021. Late proposals shall not be accepted under ANY circumstances. It is the proposer's sole responsibility to insure that their proposal has been delivered and accepted with ample time to meet the deadline.

PROJECT OVERVIEW

The City of Hammond (City) requests service proposals from qualified Consultants/Firms to analyze the City's current classification, salary and compensation system and recommend changes based on implementation feasibility and market comparisons. The proposal should identify and define the essential issues and methodology as well as state the Consultant's/Firm's professional qualifications and personalized approach to project management and execution.

The City's contact for questions regarding this project is Lacy Landrum, Director of Administration at Landrum_L@hammond.org or 985-277-5653.

BACKGROUND & CHALLENGES

The City of Hammond is located in southeast Louisiana and is the largest city in Tangipahoa Parish, which is one of the four fastest-growing parishes in the state. Hammond's population is 21,437 (2019 Census estimate); however, given that it is at the crossroads of two major interstates (I-12 and I-55), has the largest general aviation airport in the state, and has an active freight and passenger rail line bisecting its downtown, Hammond's daily population grows to approximately 70,000. The additions of Southeastern Louisiana University, North Oaks Medical Center, and a vibrant downtown contribute to Hammond's daily and special event populations.

The City operates under a Mayor-Council form of government with a Home Rule Charter. Within the City government, 15 departments are comprised of 313 full-time employees (18 exempt, 295 non-exempt). The City has 102 unique positions in 30 pay grades. The FY 2022 budget is \$46 million. The City does not recognize any unions for the purpose of collective bargaining, but it does appreciate the input of the police and fire organizations when considering overall changes to the pay structures. The City's organizational chart is attached.

The City's current salary structures are based on pay grades and steps. The steps are separated by 2%, which is the annual raise built into the grids, and the grids extend for 30 years to align with the retirement systems. All positions are included within one of three pay grids. The three pay grids are attached. Salary recommendations for fire and police must follow Louisiana Revised Statutes 33:1992 (fire) and 33:2212 (police); the City has chosen to mirror salaries for fire and police based on percentages to fulfill the letter and spirit of state law.

The City's last complete external analysis was performed in 2017 when 50 unique positions (about half) were benchmarked. That analysis was an update to a comprehensive salary study conducted in 2015. The 2015 study resulted in amendments to the City's pay plan ordinance. Placements on steps within the paygrade grid systems were based on promotion dates rather than years of service. Additionally, the 2015 Consultants recommended a new promotion policy for the City for the non-civil service employees. Since implementation and since the updated analysis in 2017, the City implemented a third pay grid system for fire employees receiving state supplemental pay that is based on years of service.

Trying to manage three pay grids—the first for police receiving state supplemental pay, a second for fire receiving state supplemental pay, and a third for the rest of the City employees—has become burdensome for the Human Resources and Accounting Departments and confusing for employees. The promotion policy has caused challenges during implementation when some situations would result in employees jumping others at anniversary raise dates, so the staff implementing the policy have to look carefully at the employees within paygrades and as they move to new paygrades to ensure fairness and consistency.

Like many other cities and parishes, Hammond has faced difficulty recruiting and retaining employees due to the current salary structures. The starting pay for many positions needs to be more competitive to attract new employees. Incentive pay based on additional certifications, specializations, and/or performance needs to be analyzed and possibly included in the City's pay plan, especially in areas like water and sewer that require higher certifications for continued operation of systems. Additionally, the City is trying to weigh whether higher pay in the first few years is a better value to employees instead of 2% annual raises over 30 years.

The City offers many benefits in addition to base salary, so it's important to analyze whether these benefits provide a competitive edge and are comparable to other entities or whether some should be discontinued to provide more budget for base salary. The current benefits for all employees include health, dental, life, and long-term disability insurance, and vacation, sick, and compensation time. Accruals of paid time off depends on civil service versus non-civil service and depends on length of service. Some employees receive cell and/or auto allowances or take-home vehicles depending on job requirements. The City has 16 paid holidays annually.

PROJECT GOALS & SCOPE

The City's goals include attracting and retaining qualified employees, to incentivize existing talent for promotional opportunities, and to lead or align with the comparable market place in terms of competitive wages and benefits for all jobs.

- Ensure positions performing similar work with essentially the same level of complexity, responsibility, knowledge, skills, and abilities are classified together;
- Provide pay/salaries and incentives commensurate with assigned duties, competencies, education, and industry specific qualifications/certifications;
- Clearly outline career paths/promotional opportunities, provide recognizable compensation growth or ways to implement performance-based incentives;
- Establish justifiable pay differential between job classes;
- Maintain a competitive position (including salary and benefits) 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.

The Consultant/Firm is expected to develop and conduct a comprehensive total compensation and benefits analysis of the City of Hammond as compared to at least eight private and eight public sector external labor markets, based on industry specific compensation studies/standards to make recommendations for changes to the current job classification and compensation pay plans. The scope of this project includes:

1. Use job descriptions, job analysis questionnaires, and/or group or individual interviews to evaluate current positions and determine whether individual employees are appropriately classified according to job title, pay grade, and step.
2. Analyze current positions for what may be outdated versus “hot” jobs. Make recommendations for combining comparable jobs.
3. Identify salary market data to validate the target rates within the pay ranges and for possible incentive pay based on certifications or performance.
4. Include benefits comparison in external equity survey.
5. Include a promotion policy for implementing the plan long-term.
6. Perform cost analysis/financial impact analysis of implementing the proposed changes.
7. Meet with the City Administration, Human Resources Department, and other departments and employees as needed.
8. Prepare an interim report to show differences in existing and proposed plans.
9. Prepare a detailed, written recommendation report and deliver a final presentation to the City Administration and City Council.
10. Provide a straightforward, easily understood maintenance system and train the Human Resources staff to ensure the staff can explain and administer the new system.

DELIVERABLES

The Consultant/Firm shall:

1. Review current salary structures (three pay grids, position pay grades) and total compensation, and address current challenges in recruiting and retaining employees.
2. Recommend adjustments to the salary structure to ensure external competitiveness and internal equity and provide justification for the band widths and step ranges.
3. Capture the 25th, 50th, and 75th percentiles of the proposed pay grades and plot salary progression within the band.
4. Review and recommend starting pay and pay grades for each job classification, and the impact for existing positions in comparable job classes.
5. Recommend incentive pay structure and recommend a performance review format.
6. Recommend strategies and priorities for plan implementation.
7. Provide a promotion plan for temporary and permanent promotions.
8. Provide recommendations for the ongoing internal administration and maintenance of the proposed compensation plan, including annual (or other periodic) market survey.

PROPOSAL COMPONENTS

To be considered, a Consultant/Firm must have expertise in 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 (4) municipalities and/or private sector companies of comparable size and scope.

The following sections prescribe the format of proposals and describe the approach for the development and presentation of proposal data. These sections are designed to ensure the submission of information essential to the understanding and comprehensive evaluation of proposals.

- a. Title Page
- b. Table of Contents
- c. Consultant/Firm Profile: Overview of your company, history, 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, number and 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 (5) 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. Include company name, address, persons to contact, telephone number, a brief description of the project completed by your firm, project period, and date completed.
- f. Key personnel who will be assigned to the City 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, location, and any other qualifications relevant to the City's project.
- g. Describe your company's approach to the project, including a general overview of the services to be performed, timeframes, deliverables that will be provided to the City.
- h. Identify and itemize all costs related directly or indirectly to this project, including, but not limited to employee classification, hourly rate, travel time, out-of-pocket expenses, etc. No add-on costs will be accepted, unless mutually agreed upon by consultant and City.
- i. Describe what sets your firm apart from your competitors and if there is a particular area of expertise for which you are known.
- 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 or databases, date of surveys, process for aging data, if applicable, and any other relevant tools or resources.
- m. Describe the content and format of the pay analysis/comparison section of the report or include a sample page showing the content and format.

GENERAL PROPOSAL REQUIREMENTS

1. The Consultant/Firm must respond to this RFP by submitting all data required in order for its proposal to be evaluated and considered for award. Failure to submit such data shall be deemed sufficient cause for disqualification of the proposal from further consideration for award.
2. Consultant/Firm is required to state what they intend to furnish the City in response to this solicitation and must indicate in writing any variances to the terms, conditions, and specifications of this proposal.
3. The City shall issue a written addendum to this RFP if substantial changes are made which impact the submission of proposals. A copy of the addendum will be e-mailed to each Consultant/Firm receiving the solicitation and posted on the City website. In the event of conflict between the original RFP and an addendum, the addendum shall prevail. Subsequent addenda shall govern over prior addenda.
4. The Consultant/Firm is advised that the ONLY official position of the City is that position which is stated in writing and issued as an RFP and any amendments or addenda thereto. No other means of communication, whether oral or written, shall be construed as a formal or official response or statement.
5. The Proposal must contain a signature of the Consultant or an authorized agent of the Firm
6. The Consultant/Firm, by affixing its signature to its Proposal, certifies that the proposal is made without previous understanding, agreement, or connection, either with any persons, firms or corporations offering the same items, or with the City. The Consultant/Firm also certifies that its proposal is in all respects fair, without outside control, collusion, fraud, or otherwise illegal action.

SPECIAL CONDITIONS

1. 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.
2. Submission of a proposal indicates acceptance by the company submitting the proposal of the terms, conditions and specifications contained in this RFP.
3. 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 meets the needs of the City. Consultant/Firms and/or proposals that do not meet the stated requirements will be considered in non-compliance and will be disqualified.
4. No Consultant/Firm may withdraw their proposal for a period of sixty (60) days from the date set for the opening thereof.

ADDENDA

It is the proposer's responsibility to check the City's website for any addenda. Go to www.hammond.org and under **Business**, choose the first option of **Bids or Proposals**. All addenda must be acknowledged on the Signature Page included with the proposal components.

PROPOSAL SUBMISSION

Only one (1) proposal shall be accepted from each proposer. Alternates shall not be accepted. Submission of more than one (1) proposal or alternates not requested may be grounds for rejection of all proposals by the proposer.

The method of delivery of proposals is the responsibility of the proposer. All proposals shall be received by the Purchasing Department, Hammond City Hall Complex, 310 East Charles Street, Hammond, Louisiana on or before the specified proposal deadline. Late proposals shall not be accepted under ANY circumstances. It is the proposer's sole responsibility to insure that their proposal has been delivered and accepted with ample time to meet the deadline.

The outside of the envelope or package must be marked with the following:

Proposal Name: **SALARY/COMPENSATION STUDY**

Proposal RFP No: **22-13**

Proposal Due Date/Time: **September 2, 2021 / 10:00am**

Please include one (1) original and three (3) print copies of the proposal. Also include a digital copy via CD, DVD, or flash drive. The files must be in a format that can be opened by standard Microsoft Office programs (Word, Excel, Powerpoint), but PDF format is preferred.

Submitted proposals must include all the proposal components described in these specifications to be considered and evaluated.

The City reserves the right to withdraw this solicitation for proposals at any time without prior notices. Further, the City makes no representations that any agreement will be awarded to any firm submitting a proposal. The City reserves the right to reject any and all proposals. Proposals that are not current, accurate, and/or complete shall be considered non-responsive and eliminated from further consideration. Following the acceptance of a proposal, the City reserves the right to further negotiate the terms and conditions of the work requirements and the form of the contractual agreement with the firm chosen to provide the services as requested in this RFP.

EVALUATION

Proposals will be evaluated according to the following:

- Effectiveness, clarity, and conciseness of your firm's approach to the completing the project goals and objectives
- Description of schedule and deliverables in terms of accuracy, thoughtfulness and feasibility
- Background and experience of firm and personnel, including the practical experience and technical qualifications of the staff who will actually work on the project
- Demonstrated success on previous projects, especially of similar scope, including quality of work, meeting the project's schedule, and completing the project within budget
- Firm's quality assurance and control procedures, including how the firm will handle delays or budget overages

- Cost in terms of overall value

The City reserves the right to seek follow-up information and/or conduct interviews with proposal finalists, but such interviews are not required in the evaluation process.

INDEMNIFICATION

Proposer shall agree to indemnify and hold the City of Hammond, its departments, agencies, boards and commissions, officers, agents, servants and employees, including volunteers, harmless against any and all claims, demands, suits, costs, liabilities or judgments for sums of money, and fines or penalties asserted by any party, firm or organization for loss of life or injury or damages to person or property, growing out of, resulting from, or by reason of any negligent acts, errors, and/or omissions by proposer, its agents, servants or employees, while engaged upon or in connection with the services required to be performed by proposer under this RFP. Further, proposer shall agree to indemnify the City of Hammond, its departments, agencies, boards and commissions, officers, agents, servants and employees, including volunteers for all reasonable expenses and attorney's fees incurred by or imposed in connection therewith for any loss, damage, injury or other casualty pursuant to this RFP. Proposer additionally shall agree to pay all reasonable expenses and attorney's fees incurred by the City of Hammond, its departments, agencies, boards and commissions, officers, agents, servants and employees, including volunteers in establishing the right to indemnity pursuant to the provisions Stated herein.

TERMINATION OF SERVICE AGREEMENT

After the RFP is awarded, either party may terminate the service agreement for cause based upon the failure of the other party to comply with the terms and/or conditions of the agreement; provided that the party shall give other written notice specifying the other party's failure. If within thirty (30) days after receipt of such notice, the party has not either corrected such failure or, in the case which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the terminating party may, at its option, place the other party in default and the agreement shall terminate on the date specified in such notice. The terminating party may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the other party to comply with the terms and conditions of this agreement; provided that the terminating party shall give the other party written notice specifying its failure and a reasonable opportunity for the party to cure the defect.

ASSIGNMENT

The proposer affirmatively acknowledges and agrees that any ensuing agreement shall be binding upon the successors and assigns for the parties hereto. The ensuing agreement being for the personal services of the successful proposer(s) shall not be assigned or subcontracted in whole or in part by said successful proposer(s) as to the services to be performed hereunder without the written consent of the City of Hammond, in the City's sole discretion.

COMPLIANCE

The proposer agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistant Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination in Employment Act of 1972, and the Contracting Party agrees to abide by the requirements of the American with Disabilities Act of 1990. The proposer shall keep informed of and comply with all federal, state and local laws, ordinances and regulations which affect his employees or prospective employees. Any act of discrimination committed by the proposer, or failure to comply with these statutory obligations, when applicable, shall be grounds for termination of this agreement.

Request for Proposals # 22-13 Signature Page

The City of Hammond is soliciting Request for Proposals (RFPs) for a Salary and Compensation Study.

Proposals will be received until 10:00am on September 2, 2021

Acknowledge Receipt of Addenda:

Number: _____

Number: _____

Number: _____

Proposer Name: _____

Address: _____

Phone: _____ Fax: _____

Email: _____

Printed Name of Person Authorized to Sign: _____

Title of Person Authorized to Sign: _____

Signature of Authorized Person: _____

Date: _____

This RFP signature page must be signed by an authorized Representative of the Consultant/Firm for proposal to be valid. Signing indicates you have read and comply with everything described in the Request for Proposals specifications.