

Lake Havasu City



Notice of Request for Proposal (RFP)

RFP# P24-HCM-500423

COMPENSATION AND CLASSIFICATION STUDY

RFP CLOSING DATE: May 29, 2024

TIME: 3:00 p.m., Arizona Time

RFP Packets may be downloaded at:

<https://www.lhcaz.gov/budget-and-finance/bids-rfps>

or through DemandStar at www.demandstar.com

Lake Havasu City Hall
2330 McCulloch Blvd. N
Lake Havasu City, Arizona 86403
Issue Date: May 2, 2024

**PUBLIC NOTICE (Amended)
REQUEST FOR PROPOSAL (RFP)
Lake Havasu City, Arizona**

RFP NO.: P25-HCM-500423

RFP CLOSING DATE: May 29, 2024

RFP TITLE: COMPENSATION AND CLASSIFICATION STUDY

RFP NOTICE: Notice is hereby given that sealed proposals shall be received by the **City Clerk's Office, 2330 McCulloch Boulevard N., Lake Havasu City, Arizona, 86403** until **3:00 p.m. Arizona Time on May 29, 2024**. All proposals received in proper form shall be publicly opened and read aloud on the same day at 3:00 p.m., Room 109, City Hall, 2330 McCulloch Boulevard N., Lake Havasu City, Arizona, 86403.

RFP DESCRIPTION: Lake Havasu City is requesting proposals from interested and qualified professional compensation and classification plan design firms with extensive public sector experience to provide general and specialized professional services related to conducting a comprehensive compensation and classification study.

RFP document and addenda may be obtained in the following locations:

Lake Havasu City Website: <http://www.lhcaz.gov/budget-and-finance/bids-rfps>

DemandStar: <https://www.demandstar.com/beta/buyers/bids/456949/details>

It is the sole responsibility of the Proposer to ensure the City receives the proposal by the specified time. ALL PROPOSALS MUST BE TIME STAMPED BY THE CITY BY THE STATED DEADLINE. All late proposals shall be rejected. For those firms submitting electronically, your proposal **must** be in "Submitted" status prior to the Deadline. The clock in DemandStar will be the clock of record for electronically submitted proposals.

The outside of the sealed package must be clearly marked "**Sealed Proposal**" with the **Proposer's Name, Address, RFP Title and Number**, and the **Closing Date**. **Proposer will submit one (1) original of the proposal response.** Proposer should retain a copy for their records. All proposals must be completed in ink or typewritten on a form to be obtained from the RFP documents and returned by the time cited above.

Proposers interested in taking advantage of the streamlined e-Bid process may submit their proposals electronically via the City's DemandStar Network at <https://www.demandstar.com/app/buyers/bids/456949/details> . Paper proposals will continue to be accepted.

Public proposal opening may be attended virtually by accessing the following video conferencing system:

<https://tinyurl.com/3f94b2ww>

Meeting ID: 270 366 031 956

Passcode: jcVbxK

160264325@teams.bjn.vc

Video Conference ID: 112 219 692 0

Lake Havasu City may reject any proposal not in compliance with all prescribed public competitive procurement procedures and requirements, and may reject for good cause any or all proposals if Lake Havasu City finds it is in the public interest to do so.

There is not an expressed or implied obligation for Lake Havasu City to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

Pursuant to the Americans with Disabilities Act (ADA), Lake Havasu City endeavors to ensure the accessibility of all of its programs, facilities and services to all persons with disabilities. If you need an accommodation for this meeting, please contact the City Clerk's office at (928) 453-4142 at least 24 hours prior to the meeting so that an accommodation may be arranged.

**Publish: May 2nd and 9th, 2024 TODAY'S NEWS HERALD-Daily
May 9th and 16th, 2024 ARIZONA BUSINESS GAZETTE**

**REQUEST FOR PROPOSALS (RFP)
P24-HCM-500423**

LAKE HAVASU CITY, ARIZONA

COMPENSATION AND CLASSIFICATION STUDY

RFP DUE DATE: May 29, 2024 AT 3:00 PM ARIZONA TIME

Lake Havasu City is interested in receiving proposals from interested and qualified professional compensation and classification plan design firms with extensive public sector experience to provide general and specialized professional services related to conducting a comprehensive compensation and classification study.

SECTION 1: PROJECT DESCRIPTION

Lake Havasu City Arizona is a municipality located in western Arizona along the Colorado River. Situated in the Mohave County, and home of the world-famous London Bridge, Lake Havasu City is situated on the shores of the stunning 45-mile-long Lake Havasu. Located 150 miles southeast of Las Vegas and 200 miles northwest of Phoenix. The current population of Lake Havasu City is 56,254, based on projections of the latest US Census estimates for 2020.

Lake Havasu City operates under a council-manager form of government. The Mayor and six members of the Council are elected to staggered, four-year terms. The City Council is the legislative body for the overall policies and direction of the City and adopts the operating and capital budgets. The Council appoints the City Manager, City Attorney and City Magistrate. Per the City Code, Department Directors are appointed by the City Manager.

Lake Havasu City provides a full array of municipal services including Administrative Services (budget, customer service, finance, information technology, payroll and procurement), City Clerk, City Manager (administration, community affairs, transit, grants, and water conservation), Human Resources, Legal, Development Service (building, code enforcement, planning and zoning), Courts, Fire, Parks and Recreation, Police, and Public Works (engineering, water, wastewater, streets, facilities maintenance, vehicle maintenance, and airport). It currently has 164 unique job titles filled by 536 full-time employees and approximately 174 part-time employees.

SECTION 2: SCOPE OF WORK

A. Objectives

The Classification and Compensation Study is intended to address the key objectives outlined below:

- Attract and retain a highly skilled and capable workforce.
- Ensure positions with similar complexity, responsibility, knowledge, skills and abilities are classified together.
- Provide salaries commensurate with assigned duties and experience.
- Offer justifiable pay differential between individual classes.
- Review and update established classification titles, establish guidelines to ensure appropriate and consistent titles, both internally and externally.
- Maintain competitive salaries and benefits in comparison to other comparable municipalities.
- Recommend methods by which the City can align its compensation system with industry best practices.
- Provide strategies to implement a new compensation system in stages, if necessary.

B. Classification

- Update job descriptions to match distinguishing characteristics, essential job functions, minimum qualifications (knowledge, education, experience, skills and abilities), working conditions (physical demands, work environment, other relevant circumstances), certifications and licenses. Ensure internal equity and external competitiveness in internal job descriptions and job titles. Conduct extensive job audits and interviews to ensure job descriptions accurately reflect requirements of the positions.
- Create new job descriptions where needed. Ensure all job descriptions are accurate and compliant with FLSA, EEO and ADA requirements.
- Provide recommendations relative to staff alignments, reporting relationships and organizational structure.
- Identify career pathways and promotional opportunities for each classification.
- Identify additional opportunities for updating and/or improving the City's existing classification and compensation system (i.e. reclassifications, job audits).

C. Compensation

- Review the City's job classification and salary schedule, provide recommendations regarding alternative schedules (merit, longevity, stipends, steps) and provide recommendations to optimize alignment with previously stated objectives.
- Provide recommendations/propose alternative comparable market cities and basis for selection.
- Conduct a comprehensive total compensation survey, using agreed upon comparable cities. Provide a detailed analysis and assessment of the City's competitive position as compared to other cities. Areas to be considered in this survey include, but are not limited to, the following:
 - Base Salary
 - Specialty pay (certificate pay, stand-by pay, commercial driver's license pay, specialty assignments, call out pay, allowances.
 - Employer paid health insurance, life insurance and disability benefits
 - Deferred Compensation benefits (employer paid matches)
 - Leave related benefits (holidays, sick, PTO, administrative, management, personal leave, vacation, family leave)
 - Identify other common benefits not currently offered by the city.
- Recommend appropriate salary ranges for each classification, considering the City's organizational structure, internal equity and consistency with external titles.
- Identify potential compaction issues and outline options for resolution.

The selected firm will be responsible for providing technical assistance and guidance to City Staff, the Executive Team and the City Manager. Ultimately, they will provide findings and recommendations to the City Council.

SECTION 3: PROPOSAL EVALUATION CRITERIA

A consulting firm will be selected through a request for proposal selection process. Firms interested in providing these services must submit a proposal that addresses the following:

A. Experience of the firm (30 points)

Discuss the experience and qualification of the firm in developing a customized project plan addressing the unique needs of a quasi-rural city for at least five (5) other municipalities of similar character and complexity, preferably in Arizona. For each project listed, please provide:

1. Description of the project
2. Role of the firm
3. Project's original contract cost and final costs
4. Project's change orders and associated costs
5. Dates/Time schedule for project
6. Project owner
7. Reference Information for the project (two (2) current names and titles with telephone numbers and email addresses per project)
8. Information on each project related to legal issues or litigation related to the use of any subcontractors or independent contractors involved with the project.

B. Experience of Key Personnel and Sub Consultants/Staff (25 points)

Discuss the experience and qualifications of the specific team members to be assigned to this project on at least three (3) projects of comparable dollar value, scope, size, character and complexity (particularly the Project Manager and Subject Matter Expert in Compensation Design).

Discuss the experience and qualifications of the specific project team utilizing Human Resources Information System (HRIS) capabilities for designing and implementing compensation models.

For each key person identified, list their length of time with the firm and at least three comparable projects in which they have played a primary role. If a project selected for a key person is the same as one selected for the firm, provide just the project name and the role of the key person. For other projects provide the following:

1. Description of project
2. Role of the person
3. Project's original contract cost and final costs
4. Project's change orders and associated costs
5. Dates/Time schedule for project
6. Project owner
7. Reference Information for the project (two (2) current names and titles with telephone numbers and email addresses per project)
8. Information on each project related to legal issues or litigation related to the use of any subcontractors or independent contractors involved with the project.
9. Interactions with State and/or Federal agencies
10. Length of time has worked for your firm.

C. Project Understanding and Approach (25 points)

Discuss the major issues your firm has identified as potential concerns related to this project and how you intend to address those issues initially. Describe the basis for these concerns.

Describe your firm's approach and team organization to providing these project management services to the City.

D. Price (10 points)

Submit the price proposal as a separate part of the total qualification and approach proposal package. This pricing information shall be used in negotiating the contract price. Offeror shall provide a detailed cost breakdown, to include at a minimum the following items within an estimated cost schedule and with adequate back-up detail to verify the proposed cost estimate:

- Estimated staff hours and associated hourly rates;
- Travel and all associated costs per trip;
 - Travel and per diem or subsistence costs, if any, supported by a breakdown including destination, duration and purpose.
 - Automobile mileage and per diem shall not exceed the amounts authorized by the Arizona per diem and mileage act. Air transportation shall be coach fare.
- Material preparation, reproduction costs;
- Any additional supplemental fees;
- Fees for anticipated services being provided.

E. Current/Recent Work (5 points)

List all projects of a similar nature awarded to your firm during the last two years, in addition to what is listed in (A) above. For each project, provide the same list of information as listed in above A1-8.

F. Overall Evaluation of the Firm/Team and its Ability to Provide the Required Services (5 points)

This is to be determined by the selection panel members. No submittal response is required.

SECTION 4: SUBMITTAL REQUIREMENTS

Firms interested in the above project should submit a proposal, which includes a **one-page cover letter plus a maximum length of ten pages to address the proposal evaluation criteria (excluding resumes, price proposal and any required Forms, but including the materials necessary to address project understanding, general information, references, organizational chart, photos, tables, graphs and diagrams)**. Resumes for each key team member shall be limited to a maximum length of two pages and should be incorporated as an appendix to the proposal. Each page side (maximum 8 1/2" x 11") with criteria information shall be counted. A cover, a back, a table of contents and tabs may be used and shall not be included in the page count, unless they include additional project-specific information or Proposal criteria responses. The minimum allowable font for the proposal is **11 pt.** although tables, charts, graphs and

other diagrams may be smaller if legible. Failure to adhere to the page limit and font size may result in the proposal being considered non-responsive. If submitting electronically through DemandStar, provide one original. If submitting paper documents, please provide **one original, plus six copies (total of 7) of the Proposal by 3:00 p.m., Arizona time on May 29, 2024 as instructed on page 2, Public Notice.**

Please be advised that failure to comply with the following criteria will be grounds for disqualification and will be strictly enforced:

- Receipt of submittal by the specified due date and time
- The number of originals and/or copies of the submittal specified.
- Adherence to maximum page requirement
- Price proposal segregated and separately bound from the total qualification and approach proposal package. The proposal must be prepared in two parts: a "Qualification-Approach Proposal" and a "Price Proposal." Each of the parts shall be separate and complete in itself so that evaluation of one may be accomplished independently of, and concurrently with, evaluation of the other.
- Deposit of submittal in correct location
- Acknowledgement of addenda in the cover letter

Adherence to the maximum page criterion is critical; each page side with criteria information will be counted.

SECTION 5: SELECTION PROCESS AND SCHEDULE

The successful firm/team will be selected through a qualifications-based selection process which will consist of three evaluated elements (1) proposal submitted in response to this RFP, (2) Due Diligence of the finalists, and (3) the selection panel interview of the finalists.

A Selection Panel will evaluate each proposal according to the criteria set forth in SECTION 3 above. The firm(s) receiving the highest evaluation from the selection panel will be selected to interview for the project. The City may then perform a due diligence process by contacting and interviewing stakeholders from the finalists' past related projects. Following the due diligence process, the top scored finalists may be invited to participate in detailed interviews of their project teams.

Scores for each of the top finalists from each of the elements will be evaluated to determine the best qualified for the project. Proposing firms selected for oral interviews will be invited to participate in discussions with the Selection Committee at such date as announced by the City and awarded points based upon the criteria provided in the interview invitation. Proposing firms may be given additional information for these oral interviews. These discussions will relate less to the past experience and qualifications already detailed in the Proposals and more to (i) identifying the Proposing firms' program

approach and to an appraisal of the people who would be directly involved in the Services for this RFP, and (ii) exploring with the Proposer the scope and nature of the project, the Proposer's proposed method of performance and the relative utility of alternate methods of approach.

Upon completion of the final rankings, the City will enter negotiations with the highest ranked firm for the project. If a professional services agreement cannot be successfully negotiated with the highest ranked firm, the negotiations will be terminated with that firm and the City will enter into negotiations with the second ranked firm until an agreement is reached or an impasse is declared.

The following tentative schedule has been prepared for this selection process. Firms interested in this project must be available on the interview and scoping dates, which will be established as the selection process progresses.

ACTION	SCHEDULE
Public Notice	May 2, 2024
Questions and clarifications due	May 17, 2024 at 12:00 p.m. Arizona Time
Proposal due	May 29, 2024
Interview	Week of June 10, 2024
Final ranking/selection	Week of June 10, 2024
Scope/contract negotiation	Week of June 17, 2024
Contract Award	July 9, 2024 (Council Meeting)
Contract Executed	July 10, 2024

Under no circumstances will the City be responsible for any costs incurred by anyone: 1) responding to this RFP; 2) in any subsequent follow up to the proposal; or 3) in any subsequent negotiations of a contract. The City reserves the right to extend the date by which the submittals are due. The City reserves the right to cancel, in part or in its entirety, this RFP including but not limited to: selection schedule, submittal date and submittal requirements. If the City cancels or revises the RFP all respondents of record will be notified in writing by the City.

All submittals become the property of the City. Except for the name of firms on the final list, no information contained in a proposal shall be made public until after award and execution of a contract with the consulting firm. The City reserves the right to request additional information and/or clarifications from any or all firms responding to this RFP.

SECTION 6: GENERAL INFORMATION

RFP Holder Lists and Selection Process Schedule. Questions on these areas may be referred to Laura Herzog, Procurement Specialist at Purchasing@lhcaz.gov

Instructions. Lake Havasu City shall not be held responsible for any oral instructions. Any changes to this RFP will be in the form of an addendum, which will be furnished to all registered RFP holders.

Accommodations. Pursuant to the Americans with Disabilities Act (ADA), Lake Havasu City endeavors to ensure the accessibility of all its programs, facilities and services to all persons with disabilities. If you need accommodation, regarding this Request for Proposal, please contact the City Clerk's office at 928.453.4142 so that an accommodation may be made.

City Rights. Lake Havasu City reserves the right to reject any or all proposals, to waive any informality or irregularity in any proposal received and to be the sole judge of the merits of the respective proposal received.

Release of Project Information. The City shall provide the release of all public information concerning the project, including selection announcements and contract awards. Those desiring to release information to the public must receive prior written approval from the City.

Contact with City Employees. All firms interested in this project (including the firm's employees, representatives, agents, lobbyists, attorneys and subcontractors or independent contractors) will refrain, under the penalty of disqualification, from direct or indirect contact for the purpose of influencing the selection or creating bias in the selection process with any city staff member or person who may play a part in the selection process, with the exception of the City Manager and/or City Council (see below). This policy is intended to create a level playing field for all potential firms, assure that contract decisions are made in public and to protect the integrity of the selection process. All contact on this selection process should be addressed to the authorized representative identified below.

Contact with Elected Officials (Mayor, City Council) Any contact pertaining to this selection process with elected officials must be scheduled in person, and are posted by the City Clerk at least twenty four hours prior to the scheduled meeting. The Clerk's posting shall include and detail the participants, the subject matter and shall invite the public and press to participate. No contacts made by telephone, other than to schedule a public meeting, are permitted and copies of contacts made via letter, fax, email or other written method shall be made available to the public, press and all submitting firms.

Protest Policy. The protest policy of Lake Havasu City is set forth in Section 3.10.020.5 of the City Code.

Questions. Questions pertaining to the Consulting Firm selection process or contract issues should be directed by e-mail to Laura Herzog, Procurement Specialist, purchasing@lhcaz.gov on or before **May 17, 2024, 12:00 p.m. Arizona time.** Inquiries

received will then be answered in an Addendum to the RFP. **Verbal Requests for clarifications or interpretations will not be accepted.** The City may decide not to address questions received after this deadline.

**REQUEST FOR PROPOSAL (RFP)
P24-HCM-500423**

**LAKE HAVASU CITY, ARIZONA
COMPENSATION AND CLASSIFICATION STUDY**

LETTER OF INTENT TO RESPOND

This is to notify that it is our present intent to submit a proposal in response to the above referenced RFP.

The individual to whom all information regarding this RFP should be transmitted is:

Consulting Firm Name: _____

Contact Name: _____

Street Address: _____

City, State, & Zip: _____

Phone Number: Fax Number: _____

E-Mail Address: _____

Submit this Letter of Intent by the deadline for requests for clarification and protests which is to be electronically received by **May 17, 2024, 12:00 p.m., Arizona Time.**

Letter of Intent
to Submit Proposal
RFP No.: P24-HCM-500423
Lake Havasu City
Administrative Services Department – Procurement Division
Attn: Laura Herzog, Procurement
Email to: purchasing@lhcaz.gov