

RFP Title: Municipal Pooling Authority Compensation Study  
DATE: January 2019

# MPA



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## *Request for Proposal*

### *Compensation Study*

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ISSUED DATE: JANUARY 16, 2019

**PROPOSAL SUBMISSION DEADLINE:**

~~FEBRUARY 1, 2019 AT 4:00 PM~~

FEBRUARY 15, 2019 AT 4:00 PM

RFP COORDINATOR:  
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MUNICIPAL POOLING AUTHORITY  
925-943-1100 x 180  
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MPATTENAUE@MPA-NC.COM

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## **1 Request for Proposal (RFP)**

The Municipal Pooling Authority (MPA) invites you to respond to this Request for Proposal (RFP) for qualified human resources management firms and consultants to submit a written proposal for conducting a total compensation study and analysis.

## **2. Introduction to Municipal Pooling Authority (MPA)**

MPA is a Joint Powers Authority established in 1977 for the purpose of providing liability insurance to municipal agencies in Northern California. Through the years, MPA has grown in membership, service area and has expanded the lines of coverage to include, but not limited to, Workers' Compensation, General Liability, Property, Vehicle Physical Damage, Risk Control, Employee Benefits, Employee Wellness Programs and more. The primary function of services provided by MPA to its members is the in-house administration of claims for the Workers' Compensation, General Liability, and Vehicle Programs. The claims administrative services are maintained through an on-line claims management system. MPA is located in Walnut Creek, CA and has 20 permanent employees and several temporary employees. MPA is a small firm that depends on outside services that are readily available.

## **3. Scope of Work**

The Consultant(s) will be expected to provide services identified below. The items listed represent the minimum services expected to be performed in any given total compensation study. In your response to the Request for Proposal (RFP), identify other related services that you will provide.

Consultant will work directly with the Chief Administrative Officer as its primary contact.

- 1. Review of Agency Background Materials** – The selected Consultant will review MPA's current classifications specifications, organization chart, Compensation & Benefit Plans, and any other documentation relating to staffing. *Please send an email requesting MPA's organizational material to Michael Pattenauade at [mpattenaude@mpa-nc.com](mailto:mpattenaude@mpa-nc.com) prior to January 25, 2019.* The project team will review the materials prior to submitting the proposal for this RFP to ensure they have an understanding of the agency's current compensation plans.
- 2. Initial Project Meeting** – The selected Consultant will meet in person with the Chief Administrative Officer to initiate the project, and communicate study goals, objectives, and methodologies. During the meeting the selected Consultant will discuss the benchmark classifications and survey comparable agencies, the labor market data collection methodology, and set forth a specific timeline to coincide with the final work plan.
- 3. MPA's Comparable Agencies** – Comparable agencies will require a combination of industry specific agencies functioning as claims administrators, joint powers authorities, and municipalities. The final selection of benchmark entities, inclusive of MPA municipalities, CA Third Party Claims Administrators, and the Bureau of Labor and Statistics, will require approval from the MPA Board of Directors.
- 4. Design and Develop Data Spreadsheets** – Appropriate formulas will be incorporated into spreadsheets to report the labor market data. The project team will also provide detailed footnotes where appropriate to explain significant differences.
- 5. Review, Analyze and Validate Labor Market Survey Data** – The survey information collected will be analyzed and placed into spreadsheets. In conjunction with the survey instrument received from each labor market agency, the Consultant will review any additional background materials that become available. Once the Consultant has completed their tasks, the Consultant will audit the final data as part of the quality review prior to submission to MPA. The Consultant will provide this

information to MPA once it has determined that this method of data collection, analysis, and audit will provide MPA with credible and accurate data.

6. **Prepare and Present the Draft Compensation Report** – The Consultant will develop a Draft Compensation Report detailing the results of the labor market survey and draft salary recommendations. The Draft Compensation Report will be reviewed by the Consultant and submitted to the Chief Administrative Officer for review and input. This draft report will comprise the following:
  - a. Scope of Study
  - b. Labor market agencies
  - c. Survey procedures
  - d. Labor market data analysis/methodologies
  - e. Results of the total compensation analysis
7. **Prepare a Final Compensation Report** – An original and the requested number of copies of the Final Compensation Report will be submitted to MPA. The Consultant will meet with and present draft results to the Chief Administrative Officer. Any issues, concerns, and comments will be addressed and resolved prior to the preparation of the Final Compensation Report.

#### **4 Survey Requirements**

The selected Consultant will develop a comprehensive survey instrument to ensure the effective collection of salary and compensation information from each of the external survey agencies identified by the client. The survey instrument will include a brief description of each of the survey classifications with a request for the minimum and maximum monthly salary for each survey classification. The measurement and assessment of the external market must follow a structured and consistent process. It is recognized that there will be differences in peer groupings across surveys and within surveys across time. Compensation theory states that an 80% overlap of duties and responsibilities represents “a match”. The Consultant will obtain copies of class specifications, organization charts, budgetary and staffing information and other useful reference materials to substantiate the accuracy of the comparability of the matches. In some cases, these organizations may not provide a service necessary for comparable salaries. Since this is a total compensation study, the survey will be designed to capture the following premium pay and benefits information:

- |  |                             |
|--|-----------------------------|
| * Base Salary  | * Long Term Disability      |
| * CalPERS retirement formula                             | * Short Term Disability     |
| * Health   | * Holiday Pay               |
| * Dental   | * Vacation                  |
| * Vision   | * Sick/Admin/Personnel Time |
| * Life Insurance   | * Educational Incentives    |
| * Any additional cash compensation received by employees |                             |

#### **5 Submittal Requirements**

For the purposes of understanding more about your company and your ability to successfully fulfill this important MPA requirement, please provide the information below as part of your response, clearly referencing each specific question. Your response to this RFP will serve as the basis for the consideration of your potential hire as the Consultant. *(Exhibit B - Acceptance of Professional Service Agreement must be fully executed and included to meet submittal requirements)*

**5.1 Letter of Transmittal**–*The letter is not intended to be a summary of the proposal itself, but must contain the following statements and information:*

1. Company name, address, website address, and telephone number(s) of the firm submitting the proposal.
2. Name, title, address, e-mail address, and telephone number of the person or persons to contact who are authorized to represent the firm and to whom correspondence should be directed.
3. Federal and state taxpayer identification numbers of the firm.
4. Briefly state your understanding of the services to be performed and make a positive commitment to provide the services as specified.
5. The letter must be signed by a corporate officer or other individual who is legally authorized to bind the applicant to both its proposal and cost schedule.
6. Statement which indicates “proposal and cost schedule shall be valid and binding for ninety (90) days following proposal due date and will become part of the contract that is negotiated with MPA.”

**5.2 General Vendor Information**–*Please provide the following information:*

1. Length of time in business under current company name.
2. Brief history of the company.
3. The company core values, mission statement, and employee engagement strategies
4. Location of headquarters and any field offices.
5. Length of time in business of providing proposed services.
6. Company qualifications and relevant experience.
7. Total number of clients.
8. Total number of public sector clients.
9. Number of full-time personnel in:
  - a. Professional Human Resources (HR) Consulting and/or HR Project Management
  - b. Sales, marketing, and administrative support (grouped by Responsibility)
10. Industry certifications: list all industry certifications your firm has achieved including project management and professional certifications.
11. Miscellaneous information that may aid MPA in reaching a decision on the selected Consultant

**5.3 Financial Statement**- *Please provide a current financial statement or latest annual report. Consultants shall make a definitive statement regarding their financial ability to perform the requirements hereunder.*

**5.4 Qualifications**- *Describe how your firm is positioned to provide the services listed above and provide a history of experience on providing similar services.*

**5.5 Consulting Services Questionnaire**-*Please answer the following:*

1. **Service Description:** Describe the overall services your agency intends to provide.
2. **Organizational Background:** Describe your agency’s history, mission and services provided, administrative structure, and experience providing the same services. Include detailed and relevant information that fully demonstrates the Consultant meets the criteria of experience set forth in the following section.
3. **Experience/Knowledge Experience:**
  - Background and ownership of your organization. Include, number of years performing related work, and recent compensation studies your firm has conducted for public agencies.
  - Describe your team’s project management approach, including the approach to ensure

successful completion of the project and effective communication with MPA. Provide a description of your service philosophy, specifically addressing policies and procedures with respect to confidentiality, legal and ethical issues

4. **Staffing:** List the staff anticipated to perform the services including disciplines and degrees, as appropriate. Indicate the qualifications, training and experience of the project team lead, and provide a list of compensation services performed during the past two years by the project team lead. Include the name of the cities and other government agencies that were worked with and a brief description of the work.
5. **Costs:** Each proposal must include a detailed explanation of the cost to be charged to MPA for these services. Hourly rates for staff by title and if differentiated by type of work performed.
  - a. Any additional items and their costs with any markup, e.g. postage, telephone, copies, mileage, and related expenses.
  - b. A cost structure based on one or more hourly rates and for each hourly rate a description of the services that will be provided for that hourly rate.
6. **References/Examples:** Provide five (5) references for similar projects within the last three (3) years. Include the name of the agency, key contact person, and contact information.

**5.6 Proposal Summary-***Summarize your proposal and your firm's qualifications. Additionally, you may want to articulate why your firm is pursuing this work and how it is uniquely qualified to perform it. Include other pertinent information that would help MPA determine your overall qualifications, including specific experience with JPA accounting and claims software and/or information systems. Your proposal summary is not to exceed two pages.*

**5.7 Cost of Services-***Provide pricing for each of the survey components outlined in Section 3 (Scope of Work)*

**5.8 References-***Please provide information referencing the actual services provided, customer size (number of users), value of the contract, and the dates of service provision to this client. Government references preferred.*

**5.9 Staff Resources-***Summarize the experience, certifications and survey compilation expertise of these staff members. Describe the roles and responsibilities that each of these individuals will have. Append full resumes of these individuals to the proposal. Append resumes of any proposed sub-contracted individuals.*

**5.10 Termination History-***If your company has had a contract terminated for default during the past five (5) years, all such incidents must be described. Termination for default is defined as notice to stop performance due to the Consultant's non-performance or poor performance; and the issue was either (a) not litigated or (b) litigated and such litigation determined the Consultant to be in default. If default occurred, list complete name, address and telephone number of the party. If NO such terminations for default have been experienced by the Consultant in the past five (5) years, declare that. MPA will evaluate*

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*the facts and may, at its sole discretion, reject the Consultant's proposal if the facts discovered indicate that completion of a contract resulting from this RFP may be jeopardized by selection of this vendor*

**5.11 Other Information-***Beyond the scope of this RFP, what services (related or otherwise) does your firm provide that may be of interest to MPA?*

**6 Proposal Evaluation & Consultant Selection Criteria**

At the time proposals are opened, each proposal will be checked for the presence or absence of the required proposal contents. MPA will evaluate the proposals on a 100-point scale using the criteria set forth in the table below. Award, if made, will be to the highest scored proposal. Although some categories are weighted more than others, all are considered necessary, and a proposal must be technically acceptable in each area to be eligible for award. Respondents are encouraged to be as complete and informative as possible in their proposals.

- Industry expertise and experience
- Understanding of services to be provided
- Ability to provide requested services
- Demonstrated customer service quality
- Personnel expertise
- Consultant strength and stability
- Project approach
- Client satisfaction
- Financial considerations
- Ability to explain and communicate processes and services

<b>CRITERION</b>	<b>Maximum Number of Points</b>
General Information sections 5.1, 5.2, 5.3, 5.4, 5.7	30
Support Services and Approach Sections 5.5 and 5.6	40
Cost Reasonableness Section 5.8	10
Staffing, References, Business Continuity 5.9,5.10,5.11,5.12,5.13.	10
Completion and Submission of All required Documents Requested in this RFP	10

## 7 Time Line for Submission and Selection

EVENT	DATE
RFP issued	January 16, 2019
Proposers request organizational material	January 17-24, 2019
Deadline for submission of questions	January 25, 2019
Latest date and time proposal may be submitted	<del>February 1, 2019 @ 4:00 pm</del> February 15, 2019 @ 4:00 pm
Evaluation of Proposals	<del>February 4-8, 2019</del> February 18 - 22, 2019
Oral Presentations of the Top Proposers	<del>February 20, 2019</del> TBD
Notice of Intent to Award ( <i>estimate only</i> )*	March 4, 2019
Negotiations and execution of contract ( <i>estimate only</i> )	March 11, 2019
Notice of Award ( <i>estimate only</i> )	March 14, 2019
Contract start date ( <i>estimate only</i> )	March 15, 2019
Draft Compensation Study due ( <i>estimate only</i> )	April 10, 2019
Final Compensation Study due ( <i>estimate only</i> )	April 24, 2019

\* Elements of timeline subject to change as necessitated by MPA business demands

## 8 Deadline for Submissions of Proposals

Two (2) sealed copies of the proposal must be received by MPA prior to Friday, February 1 2019 at 4:00 P.M. One (1) of the copies should be submitted as a loosely-bound reproducible copy. Proposals shall be prepared and submitted at the Consultant's sole expense. All proposals will become the property of MPA and will not be returned. No soft copy proposals via email will be accepted. There will be no public bid opening. There will be two steps in the selection process. All submissions will be scored internally by the ability to meet the required criteria. The top three submissions will be invited to bring in the team that will work with MPA and give a presentation of the services that you will provide on Wednesday, February 20<sup>th</sup>.

Copies must be submitted in one sealed envelope and plainly marked as:

Compensation Study Services Proposal

Proposals must be mailed to:

Municipal Pooling Authority  
 P.O. Box 67  
 Walnut Creek, CA 94597

Any questions regarding this proposal and/or request for organizational materials are to be submitted to:



Michael Pattenau  
925-943-1100 x 180  
mpattenau@mpa-nc.com

## 9 *Miscellaneous*

1. MPA reserves the right to reject any and all proposals for failure to meet the requirements contained herein, to waive any technicalities, and to select the proposal which, in MPA's sole judgment, best meets the requirements of the project.
2. The RFP creates no obligation on the part of MPA to award a contract or to compensate the proposer for any costs incurred during proposal presentation, response, submission, presentation, or oral interviews (if held). MPA reserves the right to award a contract based upon proposals received without further discussion or negotiation. Proposers should not rely upon the opportunity to alter their qualifications during discussions.
3. MPA further reserves the right to make such investigation as it deems necessary to determine the ability of proposers to furnish the required services, and proposers shall furnish all such information for this purpose as MPA may request.
4. Proposers must specifically and clearly identify any portions of their submittals deemed to contain confidential or proprietary information, or trade secrets. Those portions must be readily separable from the balance of the proposal. Such designations will not necessarily be conclusive, and proposers may be required to justify why MPA should not, upon written request, disclose such materials.
5. Proposers understand and acknowledge that the representations contained in their proposals are material and important and will be relied upon by MPA in evaluation of the proposal. Misrepresentations shall be treated as fraudulent concealment from MPA of the facts related to the proposal and will immediately disqualify the submitted proposal and prospective Consultant.
6. Any concerns with the attached contract must be submitted with the proposal in order to be considered. If no concerns are submitted with the proposal, MPA will surmise that the attached contract is acceptable to the Consultant for execution.
7. MPA reserves the right to negotiate mutually acceptable project related conditions, including cost.
8. Consultant must enter into a Professional Service Agreement similar to the sample agreement attached as 'Exhibit A'.
9. Proposers **must** provide a signed Acceptance of the Professional Services Agreement as indicated in Exhibit B with proposal.
10. Consultant's assigned staff shall file an annual statement of economic interest disclosing that person's interest in investments, business positions, real property and income designated as reportable as determined by the Chief Administrative Officer.