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**Request for Proposal
Compensation and Classification
Study
RFP #2020-21-001**

**Issue Date: June 10, 2021
Proposals Due: July 9, 2021**

REQUEST FOR PROPOSAL (RFP)
COMPENSATION AND CLASSIFICATION STUDY
RFP #2020-21-001

Paratransit, Inc. is now accepting sealed proposals for a Compensation and Classification Study and Analysis.

DEADLINE: Sealed proposal submittals must be received by **4:00 p.m. PDT, July 9, 2021**. Applicant names of all proposals received will be read aloud on this date at Paratransit, Inc., Ron Brown Conference Center, 2501 Florin Road, Sacramento, CA 95822. Proposals received after the deadline stated herein will not be opened and shall be considered void and unacceptable.

MARK ENVELOPE: *Compensation and Classification Study*

DELIVERY ADDRESS: Please submit one (1) marked original and four (4) exact duplicate copies of your complete proposal along with one (1) electronic copy (flash drive) properly labeled and clearly marked with the RFP number and description to:

Paratransit, Inc.
2501 Florin Road
Sacramento, CA 95822

Bids sent via courier must be sealed in a separate envelope inside of the mailer.

POINT OF CONTACT: All inquiries regarding this RFP must be made, in writing, to Chris Brown, Chief Administrative Officer at chrisb@paratransit.org. Paratransit, Inc. shall not be responsible for any verbal communication between any employee of Paratransit, Inc. and any potential firm. Only written requirements and qualifications will be considered.

Paratransit, Inc. reserves the right to reject any and all proposals, to waive irregularities, and to accept the proposal deemed the most advantageous to the organization.

Deadline for submission of questions is
June 25, 2021 by 4:00 p.m., PDT.

Released: **June 10, 2021**

RFP for Compensation and Classification Study

1. Introduction:

Paratransit, Inc. (the Agency) is soliciting proposals from firms who are interested and have demonstrated experience to provide a Compensation and Classification Study and to provide recommendations to ensure the Agency's classification and compensation system supports the Agency's mission and strategic objectives as a service based organization. This study will include all non-represented employees assigned to the Agency's headquarters located at 2501 Florin Road, Sacramento, CA 95822. It is the intent of the Agency to select a single firm to accomplish all services outlined in this RFP.

1.1 Clarification and Interpretation of RFP

1.1.1 The words "must" or "will" or "shall" in this RFP indicate mandatory requirements. Taking exception to any mandatory requirement will be grounds for rejection of the proposal.

1.1.2 The Agency desires to avoid any misunderstanding where it is assumed that a feature is included in the proposal and turns out to be an optional, extra cost feature. As such, any question answered with an indication of compliance will be considered included at no additional cost. Any service that is referred to in the body of this response (does not pertain to attachments and brochures) will be considered included in the basic offer.

1.2 Purpose

The purpose of this RFP is to provide minimum requirements, solicit proposals and gain adequate information from which the Agency may evaluate the proposer's products and services as they compare to other providers and as they pertain to the needs of the Agency's organization as defined in this document.

2. Background Information:

2.1 General

Paratransit, Inc. is a local public agency organized as non-profit organization that was founded in 1978. The agency is headquartered in Sacramento, CA with represented and non-represented employees in Sacramento as well as contract employees in Stockton, CA, Spokane, WA, New Braunfels, TX and Boston, MA. The Agency provides social service and contract transportation, vehicle maintenance, travel training, adaptive vehicle rentals, meal delivery in partnership with the City of Sacramento

and the Sacramento Foodbank and Family Services, mobility management consulting and services, and American's with Disabilities Act eligibility assessments. The Agency's total budget is \$12.8 million for programs in all locations.

The Agency is governed by a Board of Directors currently consisting of nine members. The Chief Executive Officer (CEO) is an employee of the Board and is responsible for all functions of the Agency. The Agency is divided into functional departments and divisions reporting to the CEO. The Agency employs municipal services are provided by 105 full-time equivalents.

2.2 Human Resources

The Human Resources Department provides policy direction on human resource management issues and support to Agency departments. The department implements and manages the recruitment and selection of Agency employees, including the pre-hire screening process, maintenance of personnel records, employee performance evaluations, employee and labor relations, and leave of absence and reasonable accommodation programs.

The Human Resources Department maintains the Agency's job classification and compensation system, administers the employee benefits programs, and produces internal communications. In addition, the department facilitates the Agency's workers' compensation programs and coordinates required training programs for Agency employees.

3. Scope of Work:

3.1 General

It is anticipated that approximately 43 positions (non-represented) will need to be surveyed. For positions with comparable non-profit sector positions, the Agency would like to utilize non-profit sector data for comparisons.

3.2 Job Market

The labor market Paratransit recruits from to fill position vacancies is the greater Sacramento area, including Yolo, Placer and San Joaquin Counties. Specifically, Paratransit seeks comparison with local non-profits of similar size and budget from this region.

3.3 Scope of Services

The awarded proposer shall review the current classification and compensation systems, identify similar agencies for comparison, conduct a comprehensive compensation data collection/survey of external labor market(s) for all identified Agency positions, and analyze and evaluate all data to determine relative worth of each position within the Agency for internal equity and external competitiveness. Additionally, the awarded proposer will establish recommended pay bands for groups of similar positions with step progressions in each band and an incentive award structure for above average performance for employees at the top of their pay band, as well as identify potential pay compression issues and provide potential solutions.

3.4 Assessment of Current Internal Circumstances

The successful proposer will assess and analyze the Agency's current direct wages to establish the value of the current program, position in the market and develop recommendations for an overall competitive position in the market.

3.4.1 The successful proposer must perform a comprehensive analysis of current classification and compensation plan including but not limited to:

- a. Placement of positions in the current pay plan to ensure positions performing similar work with essentially the same level of complexity, responsibility, and knowledge, skills, and abilities are classified together;
- b. Accuracy of Federal Labor Standards Act ("FLSA") exemption status of all positions;
- c. Accuracy of position titles and descriptions regarding unique characteristics of the position, essential job functions, minimum qualifications, licensing requirements, and supervisory requirements;
- d. Must accommodate the unique nature of certain functions and responsibilities characteristic of the Agency's programs; and
- e. Identify potential pay compression issues and provide potential solutions.

3.5 Collection and Assessment of Current Market Data

3.5.1 The successful proposer shall make recommendations to the Agency on the use of existing survey data or use of an independent survey for market pricing of jobs to be used for comparison with the Agency's current classification and compensation plan. The data will be based on comparable wages for the 2021 actual year – the successful proposer will recommend aging of any data if necessary.

3.5.2 The successful proposer shall provide market data for the current job classifications of positions chosen for the study, and market analysis

of wages for each position and for each comparable employer/group of employees. Any additional pay categories shall be reported by class of eligible employee. Survey descriptions shall be matched to job descriptions to ensure good job matches.

3.6 Required deliverables

- 3.6.1 A comprehensive report, including benchmarking and market analysis of direct compensation to determine the value of the Agency's current program, market comparisons and recommendations for alternatives based on market and competitive positions reflecting cost/savings to the Agency.
- 3.6.2 The report shall include recommendations, alternatives and cost projections as well as narrative, graphs and charts both at detail and high level.
- 3.6.3 Analysis of data for each job shall be provided to the Agency in Excel or comparable format providing the following information: degree of match, range minimum, range maximum and actual average of incumbent employees of market comparables. The methodology used to place positions and/or construct the pay structure should be fully defined.
- 3.6.4 Charts and graphs shall be used to depict how the position of the Agency's jobs compare in relation to market comparables and recommended placement in a compensation structure.

3.7 Recommendation and Design of Classification and Compensation Plan, Implementation

- 3.7.1 The successful proposer must clearly provide recommendations for creation of a pay band system for similar classifications with a minimum, maximum and step increases in each pay band, including provisions for addition of new positions and a method to maintain competitiveness.
- 3.7.2 All services must be performed and the recommendations provided must comply with applicable State and Federal laws and serve to enhance the Agency's ability to obtain and retain qualified personnel.
- 3.7.3 The successful proposer may be required to design a multi-year implementation strategy based on financial parameters, employee performance, and compensation benchmarks. Details of the strategy will be developed between the successful proposer and Agency based upon data collected during the compensation survey process. The successful proposer and the Agency shall work collaboratively to develop the implementation plan as the project develops, with the Agency approving key decisions.

3.8 Communication Requirements

- 3.8.1 Proposal shall include onsite meetings with the project teams,

Executive Management and Human Resources to develop strategy, review progress, and present recommendations and suggested implementation.

- 3.8.2 The successful proposer will be required to meet with the project team at the initiation of each phase of the study, and to make a presentation to the project team and the Executive Management and Human Resources at the conclusion of each phase.
- 3.8.3 Progress meetings or conference calls - the Agency requires ongoing and open communications between designated Agency representatives and the successful proposer over the course of the project and implementation of recommendations.
- 3.8.4 The final recommendations will be presented to the Board of Directors.
- 3.8.5 All communications shall be appropriately structured for the intended audience, and shall be in the simplest, most direct format possible, clearly articulated and easily understood.

4. Contract Terms and Conditions:

4.1 General

It is anticipated that this contract is for completion of services within six (6) months of selection (proposers to submit schedule), with extension terms available, upon mutual agreement of the parties. All rates/fees shall be fixed for the contract term, and for any subsequent extension terms – there will be no provision for price adjustments for any extension, as the agreement is meant to provide an option for either party to exit the contractual obligation at its discretion.

4.2 Indemnification

It is understood that any resulting contract executed will contain the following language:

It is further agreed that the firm (separately and collectively the “Indemnitee”) shall indemnify, hold harmless, and defend the Agency, its officers, agents, and employees from and against any and all claims, losses, damages, causes of action, suits and liability of every kind, including all expenses of litigation, court costs, and attorney’s fees, for injury to or death of any person or for damage to any property arising out of or in connection with the work done by the firm under this contract. Such indemnity shall apply regardless of whether the claims, losses, damages, causes of action, suits or liability arise in whole or in part from the negligence of the Agency, any other party indemnified hereunder, the Firm, or any third party.

4.3 Insurance Requirements

The bidder shall provide proof of the minimum insurance coverage set

forth below with companies satisfactory to the Agency with full policy limits applying, but not less than stated. If awarded the contract, the Contractor will, at its sole cost, maintain coverage at all times while performing work in accordance with this contract.

- (1) Workman's Compensation Insurance as required by laws and regulations applicable to and covering employees of Contract engaged in the performance of the work under this agreement with a limit of not less than \$1,000,000.00;
- (2) Employers Liability Insurance protecting contractor against common law liability, in the absence of statutory liability, for employee bodily injury arising out of the master-servant relationship with a limit of not less than \$100,000.00.
- (3) Comprehensive General Liability Insurance including products/completed operation with limits of liability of not less than: Bodily Injury \$1,000,000.00 per each person, \$1,000,000.00 per each occurrence/\$2,000,000.00 aggregate; Property Damage \$1,000,000.00 per each occurrence; and
- (4) Excess Liability Insurance Comprehensive General Liability, Comprehensive Automobile Liability and coverage's afforded by the policies above, with the minimum limits of \$5,000,000.00 excess of specified limits.

4.4 Release

It is understood that any resulting contract executed will contain the following language:

The firm assumes full responsibility for the work to be performed hereunder and hereby releases, relinquishes, and discharges the Agency, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person and any loss of or damage to any property that is caused by, alleged to be caused by, arising out of, or in connection with the firm's work to be performed hereunder.

This release shall apply regardless of whether said claims, demands, and causes of action are covered in whole or in part by insurance and regardless of whether such injury, death, loss, or damage was caused in whole or in part by insurance and regardless of whether such injury, death, loss or damage was caused in whole or in part by the negligence of the Agency, any other party released hereunder, the firm, or any third party.

5. Instructions to Bidders:

5.1 General

This section outlines specific instructions for proposal submissions. Proposers not adhering to these instructions shall be disqualified

without further consideration.

At the public opening, there will be no disclosure of contents to competing firms, and all proposals will be kept confidential during the negotiation process. Except for trade secrets and confidential information which the firm identifies as proprietary, all proposals will be open for public inspection after the contract award. All proposals become the property of the Paratransit, Inc.

Paratransit, Inc. requires comprehensive responses to every section within this RFP. Conciseness and clarity of content are emphasized and encouraged. Vague and general proposals will be considered non-responsive and will result in disqualifications. To facilitate the review of the responses, Firms shall follow the described proposal format. The intent of the proposal format requirements is to expedite review and evaluation. It is not the intent to constrain Vendors with regard to content, but to assure that the specific requirements set forth in this RFP are addressed in a uniform manner amenable to review and evaluation. Failure to arrange the proposal as requested may result in the disqualification of the proposal. *It is requested that proposals be limited to no more than 50 pages, excluding resumes and sample documents.* Proposals shall have 1" margins and be single-sided, single spaced, using Arial 12-point font. All pages of the proposals must be numbered and the proposal must contain an organized, paginated table of contents corresponding to the sections and pages of the proposal.

5.2 Project Timeline

The vendor/contractor selection process will follow the timeline shown below. Estimated key milestone dates for the completion of the project are also included:

Request for Proposals Issued: June 10, 2021

Deadline for Submitting Questions: June 25, 2021

Response to Questions Due: July 2, 2021

Deadline to Submit Proposals: July 9, 2021

Selection Process: 1 week to review

Interview Presentations from Finalists: July 26 – 30, 2021

Award of Contract: August 13, 2021

Planned Notice to Proceed Issued: September 3, 2021

5.3 Statement of Compliance

By submission of a response to this RFP, proposer acknowledges

full compliance with required specifications and all terms and conditions as detailed in the RFP.

5.4 **TAB A – Qualifications and Experience**

- 5.4.1 Briefly introduce your firm, providing a summary of the administration, organization and staffing of your firm, including multiple offices, if applicable.
- 5.4.2 Provide an organizational chart indicating the positions and names of the core management team which will undertake this engagement.
- 5.4.3 Identify the project manager and each individual who will work as part of this engagement. Include resumes for each person to be assigned. Include any professional designations and affiliations, certifications and licenses, etc.
- 5.4.4 Describe the experience of the firm in the last two (2) years in performing consulting services in similar size and scope.

5.5 **TAB B – Project Methodology**

- 5.5.1 Provide an estimated timeline to complete the proposed work.
- 5.5.2 Include the total number and types of meetings anticipated by the consultant that will affect the various groups of the Agency (Human Resources, management team, directors and managers and employees) during the course of the work including time for questionnaire completion.
- 5.5.3 Include the number of firm personnel (their roles or desired skill set) and total number of hours anticipated of city staff.
- 5.5.4 Provide a work plan that must describe the firm's methodology, including a detailed project plan and time frames from the award date to implementation.
- 5.5.5 The strategies and methods by which the work is performed must be included in the proposal and detailed sufficiently to allow the Agency to determine compatibility of the approach to the Agency's overall goals. Factors to be considered include, but are not limited to, market definition and use of standard surveys versus customized surveys.
- 5.5.6 Work plan shall clearly distinguish the firm's duties and responsibilities and those of the Agency. Absence of this distinction shall mean the firm is assuming full responsibility for all tasks.
- 5.5.7 Please submit a brief description of how the positions will be evaluated to determine current duties and responsibilities.

5.6 **TAB C – Pricing and Fees**

- 5.6.1 The proposals shall provide a breakdown of fees for each phase of the project including an itemization of all costs (i.e., applicable hourly rates, training, travel and per diem, etc.).
- 5.6.2 The proposal shall include an hourly fee schedule for additional

services required for successful completion of this project but not specifically identified in this RFP or optional services that may enhance the Agency's benefit.

5.7 **TAB D – References**

5.7.1 Provide references for similarly successful projects from three (3) non-profit agencies, including the name of the agency, contact name, telephone and email address.

5.7.2 Include names and telephone numbers of persons whom Paratransit, Inc. can contact for references regarding the firm's past performance on similar projects.

5.8 **TAB E – Conflict of Interest**

5.8.1 The prospective contractor represents that it presently has no interest, and covenants that it shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of services hereunder. The prospective contractor further covenants that, in the performance of the services required by this RFP, it shall not employ any subcontractor or person having such a conflict of interest. The prospective contractor represents that no one who has or will have any financial interest under the contract to be awarded pursuant to this RFP is an employee of Paratransit, Inc. If such conflict of interest arises during the term of the contract awarded pursuant to this RFP or any extension, the prospective contractor will immediately advise the Agency and the Agency may, at its sole discretion, immediately terminate said contract.

5.9 **TAB F - Certifications**

5.9.1 See Page 11

5.10 **Additional Information**

Paratransit, Inc. will provide the following to the successful proposer in electronic format:

5.10.1 Current Pay Plan

5.10.2 Samples of Current Job Descriptions

5.10.3 Wage, Salary, and Benefit information as required

BIDDER CERTIFICATION AND ADDENDA ACKNOWLEDGEMENT

Bidder has examined the specifications and has fully informed themselves as to all terms and conditions. Any discrepancies or omissions from the specifications or other documents have been clarified with Agency representatives and noted on the bid submitted.

Bidder guarantees product offered will meet or exceed specifications identified in this RFP.

Bidder must initial next to each addendum received in order to verify receipt:

Addendum #1 _____ Addendum #2 _____ Addendum #3 _____

Addendum #4 _____ Addendum #5 _____ Addendum #6 _____

Bidder Must Fill in and Sign:

NAME OF FIRM/COMPANY: _____

REPRESENTATIVE's NAME: _____

REPRESENTATIVE's TITLE: _____

MAILING ADDRESS: _____

CITY, STATE, ZIP: _____

PHONE & FAX NUMBERS: _____

E-MAIL ADDRESS: _____

AUTHORIZED SIGNATURE: _____

DATE: _____

6. Proposal Evaluation Process

All proposals will be screened by an evaluation committee. The evaluation committee shall screen and rate all of the responses that are submitted. Evaluation ratings will be on a 100-point scale and those proposers selected for a short list may be invited to attend an interview, at the proposers own expense. Any invitation for an oral presentation will be solely for the purpose of clarifying proposals received from each qualifying proposer, and will not represent any decision on the part of the evaluation committee as to the selection of a successful proposer.

The Agency's process is as follows:

- 6.1 Agency staff shall recommend an evaluation committee which will be used to evaluate all proposals. The City will evaluate all proposals based on the following criteria:
 - 7.1.1 **Qualifications and Experience – 25 pts**
 - 7.1.2 **Project Design and Methodology – 25 pts**
 - 7.1.3 **Rates, Fees and Expenses – 40 pts**
 - 7.1.4 **References – 10 pts**
- 6.2 Once proposals are scored, the evaluation team will select finalists and decide whether interviews should be conducted. After interviews are performed, if needed, the evaluation team may request the finalists to submit a Best and Final Offer (BAFO).
- 6.3 Should negotiations be unsuccessful, the Agency shall enter into negotiations with the next, highest ranked Vendor. The process shall continue until an agreement is reached with a qualified Vendor.
- 6.4 This RFP does not commit the Agency to pay for any direct and/or indirect costs incurred in the preparation and presentation of a response. All finalist(s) shall pay their own costs incurred in preparing for, traveling to and attending interviews.
- 6.5 The Agency reserves the right to negotiate the final fee prior to recommending any Vendor for a contract.
- 6.6 Restrictions on Communication:
 - 6.1.1 After the RFP has been issued, Consultant is prohibited from any communications with the Agency elected or appointed officials or Agency staff regarding the RFQ or Proposals.
 - 6.1.2 The Agency will not schedule meetings with representatives of any Consultant to discuss proposals, and Consultant should not contact Agency's elected or appointed officials or Agency staff to explain, clarify or discuss their proposals before an award has been made, except as set out in this section. Violations of this provision may lead to disqualification from this process.

- 6.1.3 The Agency reserves the right to contact any Consultant for clarification after responses are opened and/or to further negotiate with any Consultant if such is deemed advantageous to the Agency.

The Agency reserves the right to use all pertinent information (also learned from sources other than disclosed in the RFP process) that might affect the Agency's judgement as to the appropriateness of an award to the best evaluated proposer. This information may be appended to the proposal evaluation process results.