



**CITY OF HENDERSONVILLE  
TENNESSEE**

**REQUEST FOR PROPOSALS**

**FOR**

**COMPENSATION STUDY**

**Proposal Due: February 1, 2018**

## **SECTION 1 – INTRODUCTION**

### **1.0 OBJECTIVE**

The City of Hendersonville is seeking proposals for qualified firms for consulting services to conduct a City-wide Compensation Study.

## **SECTION 2 – PROPOSAL REQUIREMENTS**

### **2.0 PROPOSAL SUBMITTAL**

Three (3) bound copies of the proposal and one (1) electronic version (USB flash drive) must be received no later than 4:00 PM on February 1, 2018.

Please submit your proposal in a sealed envelope labeled “RFP Response for Compensation Study – DO NOT OPEN WITH REGULAR MAIL”

Proposals must be mailed or delivered to:

Peter Voss, Human Resource Manager  
City of Hendersonville  
101 Maple Drive North  
Hendersonville, TN 37075

Proposals received after the submittal deadline stated above will not be considered. Facsimile and e-mail proposals will not be accepted. Once received, the proposal and supplementary documents become the property of the City and may be subject to public records laws.

A proposal may be withdrawn any time prior to the deadline by written notification. The proposals may be resubmitted with any modifications, prior to the deadline.

The City reserves the right to accept or reject any and all proposals or to choose no firm.

The successful firm will be required to meet standard City insurance requirements.

### **2.1 INQUIRIES**

For all questions and inquiries related to this Request for Proposals (RFP), please contact:

Peter Voss, Human resource Manager  
City of Hendersonville  
101 Maple Drive North  
Hendersonville, TN 37075  
615-264-5314

## 2.2 TENTATIVE SCHEDULE

Provided below is the tentative schedule for the RFP process. Note that the schedule is tentative and that aside from the RFP release date and due date, the schedule may be subject to change.

	<b>DATE</b>
RFP Release Date	January 5, 2018
RFP Submission Deadline	February 1, 2018
Interviews for Selected Finalists	Week of January 12, 2018
Project Start Date	February 20, 2018
Final Draft Report submitted for review	March 30, 2018
Presentation of Final Report to Finance Committee	April 24, 2018
Presentation of Final Report to BOMA for approval	May 22, 2018

## SECTION 3 – BACKGROUND

### 3.0 ABOUT HENDERSONVILLE, TENNESSEE

The City of Hendersonville, Tennessee is the tenth (10<sup>th</sup>) largest City in Tennessee with a population of approximately 60,000 and operates under the Mayor-Aldermanic form of government. The City provides general municipal services that includes police, fire, public works, parks and recreations, etc. The City currently employs 325 full-time employees and approximately 150 part-time employees. The City strives to offer market competitive compensation and benefits.

The City's compensation plan is based on an adapted version of the Factor Evaluation System (FES) from the Office of Personnel Management. Presently the City has budgeted for 340 full-time positions which serve in one of 37 public safety positions or in one of 80 other positions as defined by job description. The current plan has 25 pay grades and 18 steps; jobs assigned to grade seven through 25, with some grades vacant. The plan is a matrix with a step system based on 2.5% increments and grades of 5% increments. The range for entry to max is 50%.

If budgeted, employees who meet or exceed expectations qualify for an annual 2.5% merit raise. An annual longevity bonus is also awarded at the completion of two years of service and each year thereafter. The factor is \$95 times years of service up to a maximum of 20 years. Education attainment is also rewarded with a pay increase of 2.5%, 5% or 7.5% pay adjustment based on the degree and the requirements of the position. Promotions and reclassifications qualify for a minimum of a 7.5% pay increase. There are pay enhancements such as shift differential, EMT, paramedic, motorcycle, court, hazmat tech, court time, uniform allowance, HEAT, call back, and other specialty pays to be considered.

The Chart below illustrates the general pattern of across the board pay enhancements for the past seven (7) years.

<b>Fiscal Year</b>	<b>Cost of Living</b>	<b>Merit</b>	<b>Longevity</b>
2018	0.5% - 07/01/2017	Yes	Current Rates
2017	1.0% - July 1, 2016	Yes	Current Rates
2016	1% - July 1, 2015	Yes	Current Rates
2015	1.5% - July 1, 2014	No	Current Rates
2014	Varies- implementation of new pay plan	No	Current Rates
2013	None	Yes	Current Rates
2012	None	No	Funded at FY 2009 rates

The City's last comprehensive update was in 2013 and implemented in Fiscal 2014. Attached to this document is the current pay plan including current pay grades and salary ranges. Some job descriptions have been updated recently and others have not had an update since 2013. (The format of the job description was updated in 2017)

Condrey and Associates has provided ongoing technical assistance for the re-evaluation of positions based on changes of duties or additional positions being added. To date, several new positions have been added to the plan since its implementation.

The City offers a wide array of employee benefits including Health, Dental, Life, TCRS Retirement, Short and Long-Term Disability, Deferred Compensation plan (457), Sick Leave, Vacation, Holidays and other minor benefits.

The successful firm will be expected to work with management during all phases of this project, including onsite meetings, and will be expected to present the final recommendations to the Board of Mayor and Aldermen (BOMA). The successful firm and City will jointly agree on the comparable organizations to be surveyed.

The City employees are divided into the following departments:

<b>Department</b>	<b>General Employees</b>	<b>Public Safety Employees</b>	<b>Total Employees</b>
Executive	4		4
Personnel	4		4
Finance	9		9
Parks	19		19
Information Tech.	3		3
Codes	8		8
Planning	7		7
Public Works	26		26
Police	23	116	139
Fire	2	102	104
Roads	15		15
Attorney/Judge	2		2
<b>TOTAL</b>	<b>122</b>	<b>218</b>	<b>340</b>

## **4 - SCOPE OF SERVICES**

The City would like to update the current total compensation to provide market comparative compensation to employees. The City is requesting proposals for the following areas of work.

### **4.1 Compensation Study**

- Review the City’s existing compensation plan.
- Gather necessary survey data from comparable organizations using a customized survey.
- Municipalities surveyed shall be of similar population, operation, and within 200 miles radius.
- Private sector and other public-sector entities surveyed shall be of the immediate area.
  - Compile compensation information
  - Evaluate recent pay increases and anticipated increases
  - Recommend appropriate entry levels for all positions
  - Recommend appropriate increments between grades where appropriate
  - Recommend maximum steps within classified pay grade
- Prepare written report to include a comparison, by position, of the full market compensation plans.
- Prepare cost analysis for implementation of recommended changes to the pay and classification system.

#### **4.2 Job Audit and Analysis**

- Evaluate current classification positions.
- Gather necessary employee information using a combination of job analysis questionnaires, supervisor group and individual interviews.
- Information will be used to analyze the duties and responsibilities of each employee and position to determine the following:
  - Whether individual employees are appropriately classified.
  - Whether a position should be moved to a different job classification and/or pay grade.
  - Whether position titles are appropriate.
  - Other recommendations.

#### **4.3 Job Descriptions**

- All full-time job descriptions will be evaluated after review of job analysis audit.
- Recommendations will be made to revise, create or consolidate titles.
- Job descriptions should be established in a standardized format which is ADA and FLSA compliant.
- Final job descriptions adjustments provided to the City, with allowance for one set of revisions included in the project cost.

#### **4.4 Final Report requirements**

- Methods used to conduct the salary survey results and methodology of job evaluation.
- Summarize position comparison data.
- Recommended classification plan.
- Recommended pay structure.
- Recommendations to maintain future market competitiveness.
- Other recommendations.

#### **4.5 Other miscellaneous requirements**

- Evaluate and make recommendations concerning the City's education attainment policy, procedures and practices including how it relates to promotions.
- Evaluate and make recommendations concerning the City's current pay enhancements and additional enhancements to address recruitment and retention issues.
- Provide sample documents to be used to communicate the compensation system changes to current employees, and a summary document to communicate the full compensation system to current and future employees, both to be provided in reproducible hardcopy and electronic copies.

## 5 – SUBMISSION REQUIREMENTS

The proposal for services must, at a minimum, include the following:

- The firm’s name and location of the office providing the services under the contract, telephone number and e-mail address.
- A general description of the firm, including size, primary business, and other business or services offered.
- Identification of the project team who will be the primary contact through all phases of the project, as well as identification of other personnel who will be performing engagement work and estimated expected contribution to the project.
- Summary information regarding the qualifications and professional experience of the team that will perform work under this engagement.
- Description of the firm’s experience in providing services similar to those in the Scope of Services.
- List of references that include at least three (3) municipal clients for which services have been provided which are similar to those in the Scope of Services of this document. References should include client name, address, telephone number and e-mail address for the contact person in each organization.
- Description of the firm’s understanding of the requested services including the proposed approach, specific project steps including detailed information regarding the number and length of onsite work, timeline to include specific milestones, and interim and final work products. Innovative approaches concepts, especially those reducing project cost, are encouraged.
- Fees should be submitted on the Proposal Submission Form, or similar form, provided in the document, divided by category or service and submitted in a separate envelope clearly marked “Fees”.
- Proposal Submission Form should include a signature of a representative of the firm with acknowledgement that such individual is authorized to bind the firm contractually.
- Proposals shall provide a statement as to whether any portion of the work performed under this proposal will be subcontracted or performed under a partnership or joint venture. Information on such entities must be included in the proposal such as related experience and qualifications of assigned staff.
- Proposal shall state whether any survey information will be obtained from centralized data source.
- Submission should also include interim and final report formats.

## **6 – SELECTION CRITERIA**

- All proposals will be reviewed to determine compliance with requirements of the RFP. Primary factors in the evaluation include, but will not necessarily be limited to:
- Firm’s demonstrated experience in providing similar services to municipal clients as identified in the Scope of Services.
- Staff’s demonstrated qualifications and expertise regarding relevant experience with municipal clients.
- The ability of the firm to provide the requested services as demonstrated in the proposal.
- Firm’s past record of performance, if any, with respect to quality of work and ability to meet stated timelines.
- The quality, conciseness, and completeness of the proposal.
- Project timeline.
- Proposed fees.

# PROPOSAL SUBMISSION FORM

*Note: Failure to provide the information requested on this form may be cause for rejection of your proposal on the grounds of non-responsiveness.*

**Business Name:** \_\_\_\_\_

**Federal Tax ID Number:** \_\_\_\_\_

**Street Address:** \_\_\_\_\_

**Mailing Address if Different:** \_\_\_\_\_

**City:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip:** \_\_\_\_\_

**Telephone:** \_\_\_\_\_ **Fax:** \_\_\_\_\_

**E-mail:** \_\_\_\_\_

## FEE PROPOSAL

TASKS	FEE PROPOSED
Compensation Study	\$
Job Audit and Analysis	\$
Job Descriptions Review	\$
Ongoing technical assistance	
<b>TOTAL</b>	\$

## AUTHORIZED SIGNATURE

*Must be signed by a person having the authority to contractually bind the business listed above.*

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Print Name and Title*

\_\_\_\_\_  
*Phone Number*