

LAS VIRGENES MUNICIPAL WATER DISTRICT

4232 Las Virgenes Road, Calabasas, California 91302



REQUEST FOR PROPOSALS

For

Total Compensation Study

Proposal Issue Date

March 30, 2017

Proposal Submittal Due Date

5:00 p.m. on April 30, 2017

Documents available online at:

www.lvmwd.com

LAS VIRGENES MUNICIPAL WATER DISTRICT

REQUEST FOR PROPOSALS

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I. INTRODUCTION

A. General Information

The Las Virgenes Municipal Water District (District) serves the western edge of Los Angeles County including the cities of Agoura Hills, Calabasas, Hidden Hills and Westlake Village. The district occupies 122 square miles and services a population of approximately 70,000. The District provides potable water, recycled water, and sanitation (wastewater) services to its customers through three separate enterprise funds. The sanitation and recycled water services are provided through a Joint Powers Authority with the Triunfo Sanitation District.

Las Virgenes Municipal Water District is organized under the Municipal Water District Act of 1911 (California Water Code 7100). A five-member board of directors, each elected by geographic divisions, provides governance. Directors serve overlapping four-year terms, and every two years - concurrent with installation of the newly elected board – they select board officers. The board also selects a local representative from LVMWD to serve on the Board of Directors of the Metropolitan Water District of Southern California.

The District is requesting proposals from qualified firms experienced in the development of classification and compensation studies.

To be considered, five copies of a proposal must be received by **5:00 p.m. on April 30, 2017** addressed to:

Sherri Paniagua
Human Resources Manager
Las Virgenes Municipal Water District
4232 Las Virgenes Road
Calabasas, CA 91302

Proposals received after the above date and time will not be considered.

B. Background

The last total compensation study was conducted in 2010. The District seeks to complete a new study at this time to ensure market competitiveness and the ability to continue to attract and retain a highly skilled work force. The District desires to complete a total compensation study that compares (1) base salaries; (2) benefits; and (3) total compensation both together and separately to understand its place in the market in regards to both pay and benefits.

There are a total of 87 classifications. There are two bargaining units represented by the Service Employees International Union (SEIU) (and two bargaining units not represented by a national union) representing Management/Supervisors, Professional, and Confidential employees.

There are five distinct groups of employees with corresponding benefit levels which will need to be analyzed separately.

- SEIU General Unit (58 employees)
- SEIU Office Unit (17 employees)
- Supervisors, Professionals, and Confidential (23 employees)
- Managers (9 employees)
- Unrepresented (5 employees)

Existing Salary Structure

For SEIU positions, the District uses a system of salary ranges with each range having a 7-step increase of approximately 5% between steps. The spread from minimum to maximum is 37.9%. Benchmark jobs are placed in ranges in accordance with market. Non-benchmark jobs are placed by comparing them to benchmark jobs.

All other positions have salary ranges without steps. The salary spread from minimum to maximum varies based on groups.

Study Comparator Agencies

Previously, the District used eighteen agencies, representing both cities and special districts, in surveying benchmark jobs and benefits. All agencies have either water, sanitation or both levels of operations. They represent a cross section of local, regional and statewide organizations. The selected consultant will engage with the District to recommend comparator agencies.

Job Descriptions

Job descriptions were last fully updated in 2010. However, job descriptions may be updated when a vacancy for that classification takes place and management feels the scope has changed. Any changes to job descriptions are approved by the District and the represented employee groups.

The District may include classifications for an in-depth job evaluation. The purpose of this job evaluation is to determine whether the current classification is appropriate, including determining its exempt or non-exempt status.

C. Term of Engagement

It is anticipated that the engagement will be completed within 6 months.

Task	Date
RFP Issued	March 30, 2017
Deadline for Proposal Submission	April 30, 2017
Finalists Identified	May 5, 2017
Consultant Interviews	Week of May 15, 2017
Consultant Selection and Contract Preparation	May 22, 2017
Contract Awarded	June 13, 2017
Work Commences	June 19, 2017

The selected consultant will prepare an overall project schedule including monthly updates that may be presented verbally or in writing.

II. SCOPE OF SERVICES

A. General

The consultant will conduct a thorough review and analysis of the District's compensation and benefits program. Among the major tasks are the following:

- Meet with the Director of Finance & Administration and the HR Manager for the initial agreement on the scope of work to be performed, define major requirements of the engagement, protocols, timelines, communications, and decisions. Confer periodically in person or by telephone conference to discuss progress and clarify issues as necessary.
- Prepare overall project schedule with monthly updates.
- Determine recommended comparator agencies and benchmark positions.
- Conduct a total compensation survey using the benchmark positions and comparator agencies. For each classification surveyed, conduct a statistical analysis to calculate median, percentiles, and percent median difference. The data will be presented in both tabular and graphical format.
- The selected consultant may be requested to conduct a classification study for identified positions and make appropriate recommendation. Proposals should provide a per-study cost.
- Utilizing data from benchmark positions, present recommendations related to non-benchmark positions and internal relationships.
- Submit a draft report of findings, conclusions, and recommendations.
- Submit a final report incorporating District comments.

B. Meeting Attendance

The selected consultant should anticipate attending and presenting at least two (2) Board meetings. This is in addition to meetings with staff to review and present work in progress. Proposed budget for attendance at required meetings may either be included in the “Not to Exceed” amount for each step above or proposed separately.

III. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries concerning the request for proposals **must be received in writing by 5:00 p.m. on Friday, April 18** to spaniagua@lvmwd.com or

Sherri Paniagua
Human Resources Manager
Las Virgenes Municipal Water District
4232 Las Virgenes Road, Calabasas, CA 91302
Fax (818) 251-2179

Answers to questions received will be posted online no later than April, 24 2017 at <http://www.lvmwd.com/i-want-to-do-business-with-lvmwd/non-public-works-formal-bids>. It is the proposer’s responsibility to ensure that they access and review any questions and answers posted. The District is not responsible to notify individual potential bidders of the availability of questions and answers beyond this notice.

CONTACT WITH PERSONNEL OF THE DISTRICT OTHER THAN ABOVE REGARDING THIS REQUEST FOR PROPOSALS MAY BE GROUNDS FOR ELIMINATION FROM THE SELECTION PROCESS.

2. Addendums – The District may post Addendums to the RFP online at the District’s website (www.lvmwd.com). It is the potential proposer’s responsibility to access any addendums and ensure that stated requirements are met.

B Submission of Proposals

The following material is required to be received by 5 p.m., April 30, 2017 for a proposing firm to be considered:

Five (5) copies of the Proposal to include the following:

1. Title Page

Title page showing the request for proposals' subject; the firm's name; the name, address and telephone number of a contact person; and the date of the proposal.

2. Table of Contents

3. Transmittal Letter

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for 90 days.

4. Key Personnel

Describe the staffing model your firm will use to fulfill the Scope of Work. Provide resumes of all key personnel who will be assigned to the District. Any changes to the key personnel must be approved by the District prior to award.

5. References

List a minimum of three (3) references for whom comparable services were provided. Provide names and contact information as well as a summary of key results achieved.

6. Qualifications and Experience

Describe your firm's qualifications to complete this Scope of Work. Explain why your firm is the best to deliver this Scope of Work and provide examples of your firm's work.

7. Detailed proposal

The detailed proposal should follow the order in Section II – Scope of Services and should provide sufficient detail to understand how the scope will be accomplished.

8. Costs

Costs proposals must include a "Not to Exceed" amount for each item in Section II – Scope of Services as well as a breakdown of hourly rates by position that will be assigned to the District. Any cost not explicitly proposed will be ineligible for payment.

IV. EVALUATION PROCEDURES

A. Review of Proposals

Proposals submitted will be evaluated by key District personnel. The District reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

B. Evaluation Criteria

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposal evaluated for both technical qualifications and price. The following represent the principal selection criteria which will be considered during the evaluation process.

1. Mandatory Elements

- a) The firm is licensed to practice in California.
- b) The firm has no conflict of interest with regard to any other work performed by the firm for the District.
- c) The firm adheres to the instructions in this Request for Proposals on preparing and submitting the proposal.

2. Technical Qualifications

- a) The firm's past experience and performance on comparable engagements.
- b) The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.
- c) Quality of the plan and approach to complete the Scope of Services.
- d) Demonstrated results of projects with similar Scopes of Service.

3. Costs:

Cost of completing the required Scope of Services. The District will select the firm with the highest overall ranking after considering both technical qualifications and price. For this RFP, Technical Qualifications will have a higher weight than Price.

C. Oral Presentation

During the evaluation process, the District may, at its sole discretion, request any one, all, or no firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the District may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

D. Final Selection

The District will recommend a contract to the Board based upon the recommendation of District staff reviewing the proposals.

V. CONDITIONS GOVERNING THE REQUEST FOR PROPOSALS

A. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this Request for Proposals unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the District and the firm selected.

The District reserves the right without prejudice to reject any or all proposals.

B. Receiving Time / Late Proposals

It is the responsibility of proposer to see that their proposal is submitted with sufficient time to be received by the District prior to the proposal closing time. Late proposals will be returned unopened to the sender. Postmarks are not accepted, all responses must be received by the District by the deadline.

C. Acceptance of Conditions Governing this RFP

Submission of a proposal constitutes acceptance of the Evaluation Factors contained in this RFP.

D. Incurring Cost

Any cost incurred by the proposer in preparation, transmittal, presentation of any proposal or material submitted in response to this RFP shall be borne solely by the proposer. Any cost incurred by the proposer for set up and demonstration or for interviews shall be borne solely by the proposer.

E. Proposer's Rights to Withdraw Proposal

Proposers will be allowed to withdraw their proposals at any time prior to the deadline for receipt of proposals. Any request must be submitted in writing.

F. Sub-consultants

Use of sub-consultants must be clearly explained in the proposal and identified by name. Prime consultants shall be wholly responsible for the entire performance whether or not sub-consultants are used. Substitution of sub-consultants must be approved in writing by the District.

G. Best and Final Offer

The District reserves the right to request Best and Final Offers from any or all proposers. This will be the only opportunity to amend or modify proposals based on feedback from the District. Information from competing proposals will not be disclosed to other proposers prior to submission of a Best and Final Offer.

H. Disclosure of Proposal Contents

All proposals are subject to the provisions of the California Public Records Act, California Government Code section 6250 et seq., and any information submitted with a response is a public record subject to disclosure, unless a specific exemption applies.

I. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's cost proposal. Interim billings shall cover a period of not less than a calendar month.

J. Insurance

Proposer shall maintain such insurance as will protect it from claims under Workers' Compensation laws, and such liability insurance as will protect against claims for damages for bodily injury, including death, and damages to property in accordance with the terms of the Agreement. Coverage of which is to be no less than \$1,000,000/\$2,000,000 per occurrence/aggregate, with the District named as an additional insured.

The proposing firm must be willing and able to obtain an errors and omissions insurance policy for coverage of no less than \$1,000,000 per occurrence for the willful or negligent acts of the firm and its officers, employees and agents. Proposer shall maintain evidence of coverage in an updated form during the term of the Agreement.

CONSULTANT AGREEMENT

As of [DATE], Las Virgenes Municipal Water District, hereinafter called "Agency," and [CONSULTANT NAME], hereinafter called "Consultant," agree as follows:

1. Purpose.

Under this Agreement, Consultant shall provide [DESCRIPTION OF WORK AND FOR WHAT PROJECT].

2. Services.

The Consultant shall, in good workmanlike and professional manner, furnish the services as set forth in Exhibit "A" of this Agreement.

3. Consideration.

(a) The Agency shall compensate Consultant on a time-and-material basis, contingent on satisfactory performance of the work. The aggregate payments under this Agreement shall not exceed \$_____, as more fully described on Exhibit "A."

(b) The Consultant shall complete and submit invoices showing the dates of work, description of work performed, and amount of the invoice together with any supporting documentation. The Agency shall pay the Consultant within thirty (30) days of the receipt of an invoice.

4. Term.

(a) This Agreement shall commence on the date above written, and shall continue until completion of the services described above. The Agency may terminate or cancel this Agreement without liability to the Agency, if Consultant fails to perform or commits a substantial breach of the terms hereof.

(b) Either party may terminate this agreement on thirty (30) days written notice for any reason. If this contract is terminated by Agency without cause, Agency shall pay Consultant for work performed prior to the date the notice of termination is received by contractor. If the contract is terminated by Consultant without cause, Consultant shall reimburse Agency for additional costs to be incurred by Agency in obtaining the work from another consultant.

5. Ownership of Data, Reports, and Documents.

The Consultant shall deliver to Agency on demand or completion of the project, notes of surveys made, reports of tests made, studies, reports, plans, and other materials and documents which shall be the property of the Agency. If the Agency uses any of the data, reports, and documents furnished or prepared by the Consultant for projects other than the project shown on Exhibit "A," the Consultant shall be released from responsibility to third parties concerning the use of the data, reports, and documents. The Consultant may retain copies of the materials. The Agency may use or reuse the materials prepared by Consultant without additional compensation to Consultant.

6. Subcontracts and Assignments.

The Consultant shall not subcontract or assign responsibility for performance of any portion of this Agreement without the prior written consent of the Agency. Except as otherwise specifically approved by Agency, Consultant shall include appropriate provisions of this Agreement in subcontracts so rights conferred to Agency by this Agreement shall not be affected or diminished by subcontract. There shall be no contractual relationship intended, implied, or created between Agency and any subcontractor with respect to services under this Agreement.

Neither party hereto shall assign, sublet, or transfer interests hereunder without first obtaining written consent from the other party.

7. Independent Contractor.

The Consultant is an independent contractor and not an employee of Agency. Except as Agency may specify in writing, Consultant shall have no authority, expressed or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Consultant shall have no authority, expressed or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.

8. Licensing. Consultant represents and declares to Agency that it has all licenses, permits, qualifications, and approvals of whatever nature that is legally required to practice its profession. Consultant represents and warrants to Agency that Consultant shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval, which is legally required for Consultant to practice its profession.

9. Indemnification.

Consultant shall defend, indemnify, and hold harmless Agency, its officers, employees and agents, from and against loss, injury, liability, or damages arising from any act or omission to act, including any negligent act or omission to act by Consultant or Consultant's officers, employees, or agents in rendering services under this Agreement. Consultant's duty to indemnify and defend does not extend to the damages or liability caused by the agency's sole negligence, active negligence, or willful misconduct.

10. Compliance with Applicable Law.

(a) Consultant agrees to comply with all federal, state, county, and local laws, ordinances, and regulations applicable to the work under this Agreement.

(b) Consultant shall pay prevailing wages to the extent required by law, including Labor Code Section 1720.

(1) A determination of the general prevailing rates of per diem wages and holiday and overtime work where the work is to be performed is on file at the Agency's offices. Should the prevailing wage rules apply to any of the work described in Exhibit A, Consultant shall post one copy of the prevailing rates of wages at the job site, and Consultant shall forfeit, as penalty to the Agency, a sum of not more than \$200.00 for each calendar day, or portion thereof, for each worker paid less than

the prevailing rates. This penalty shall be in addition to any shortfall in wages paid.

11. Insurance.

(a) Consultant shall procure and maintain, for the duration of this Agreement, insurance against claims for injuries to persons or damages to property arising from, or in connection with, the performance of the work hereunder by the Consultant, officers, agents, employees, or volunteers.

(b) Consultant shall provide the following coverages:

(1) Commercial general liability insurance written on an occurrence basis, in the amount of \$1,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage. The insurance policy shall be amended to provide that the general aggregate limit applies separately to the work under this Agreement, or the general aggregate limit shall be twice the required per occurrence limit.

(2) Business automobile liability insurance shall be provided for all owned, non-owned, and hired automobiles, in the amount of \$1,000,000 combined single limit per accident for bodily injury and property damage.

(3) Workers' Compensation insurance as required by the Labor Code of the State of California with the statutory limits required by the Labor Code and Employers Liability for \$1,000,000 per accident for bodily injury or disease. Consultant and subcontractors shall cover or insure their employees working on or about the site, regardless of whether such coverage or insurance is mandatory or merely elective under the law.

(4) Professional liability insurance covering loss resulting from errors or omissions of Consultant with a liability limit of at least \$1,000,000 per occurrence.

(c) The insurance policies required above shall contain or be endorsed to contain all of the following specific provisions:

(1) Commercial general liability and automobile liability:

(i) Agency and its Board members, officers, employees, agents and volunteers shall be added as additional insureds.

(ii) Consultant's insurance shall be primary insurance as respects the Agency, its Board members, officers, employees, agents, and volunteers and any insurance or self-insurance maintained by Agency shall be in excess of Consultant's insurance and shall not contribute to it.

(iii) Any failure to comply with the claim reporting provisions of the policies or any breach of a policy warranty shall not affect coverage under the policy provided to Agency, its Board members, officers, employees, agents and volunteers.

(iv) The policies shall contain a waiver of transfer rights of recovery ("waiver of subrogation") against Agency, its Board members, officers, employees, agents, and volunteers, for any claims arising out of the work of Consultant.

(v) The policies may provide coverage that contains deductible or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to Agency under such policies. Consultant shall be solely responsible for deductible and/or self-insured

retention and Agency, at its option, may require Consultant to secure the payment of such deductible or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit. The insurance policies that contain deductibles or self-insured retentions in excess of \$25,000 per occurrence shall not be acceptable without the prior approval of Agency.

(vi) Prior to start of work under this Agreement, Consultant shall file with Agency evidence of insurance as required above from an insurer or insurers certifying to the required coverage. The coverage shall be evidenced on a certificate of insurance signed by an authorized representative of the insurer(s). Should the required coverage be furnished under more than one policy of insurance, Consultant may submit as many certificates of insurance as needed to provide the required amounts.

(2) Each policy required by this section shall contain a policy cancellation clause that provides the policy shall not be cancelled or otherwise terminated by the insurer or the Consultant, or reduced in coverage or in limits, except after thirty (30) days written notice by certified mail, return receipt requested, has been given to the Agency, Attention: Director of Finance & Administration.

(d) Insurance required by this Agreement shall be placed with insurers licensed by the State of California to transact insurance business of the types required herein. Each insurer shall have a current Best Insurance Guide rating of not less than A: VII unless prior approval is secured from the Agency as to the use of such insurer.

(e) Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein. Consultant shall maintain evidence of compliance with the insurance requirements by the subcontractors at the job site and make them available for review by Agency.

12. Notices.

Notices shall be deemed received when deposited in the U. S. Mail with postage prepaid and registered or certified addressed as follows, unless advising in writing to the contrary:

Las Virgenes Municipal Water District
ATTN: General Manager
4232 Las Virgenes Road
Calabasas, CA 91302

[CONSULTANT]
ATTN: THEIR PM
MAILING ADDRESS
CITY, STATE ZIP

13. Invalidity of Part Shall Not Invalidate the Whole.

The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both Parties subsequent to the expungement or judicial modification of the invalid provision.

14. Attorneys' Fees.

If an action at law or in equity is brought to enforce any provision of this Agreement, the prevailing party shall be entitled, in addition to such other relief as may be granted to an award in the same or a subsequent proceeding, to reasonable attorneys' fees and costs.

15. Integration.

This Agreement represents the entire understanding of Agency and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered, except in writing, signed by both parties.

16. Arbitration and Waiver of Jury Trial.

Consultant and Agency further agree as follows: In the event any dispute shall arise between the Parties to this Agreement, the same shall be resolved by arbitration conducted by the American Arbitration Association in accordance with the Commercial Arbitration Rules of the American Arbitration Association, as then in effect. Such arbitration shall be conducted at a location within Los Angeles County, California agreeable to both Parties before three (3) arbitrators who shall be selected by mutual agreement of the Parties; if agreement is not reached on the selection of arbitrators within fifteen (15) days, then each of the Parties shall select an arbitrator and the two (2) arbitrators so selected shall select a third. The provisions of the Commercial Arbitration Rules of the American Arbitration Association shall apply and govern such arbitration except that the prevailing party shall be entitled to recover from the other party its attorney's fees and costs actually incurred in such amount as may be determined by the arbitrators.

17. Governing Law.

This Agreement shall be interpreted and construed under, and the rights of the parties will be governed by, the laws of the State of California.

IN WITNESS WHEREOF, the parties hereby have caused this Agreement to be executed the date first above written.

APPROVED:
Las Virgenes Municipal Water District

APPROVED:
[Consultant]

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

EXHIBIT "A"