

CITY OF GULF SHORES

Proposal for *Limited Classification and Compensation Study*

February 2019



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SLAVIN MANAGEMENT **CONSULTANTS**

February 27, 2019

Sandy Carden, Human Resources Officer
City of Gulf Shores
1905 West 1st Street
Gulf Shores, AL 36547

Dear Ms. Carden:

Please accept the enclosed proposal in response to your request to perform a limited classification and compensation study for the City of Gulf Shores. Slavin Management Consultants (SMC) is committed to providing the City of Gulf Shores with an objective, professional and defensible philosophy and system.

As a high quality, independent management consulting firm, SMC is most capable and interested in working with the City of Gulf Shores to provide consulting services as outlined. This proposal commits the highest level of our firm's resources to assist in this study. Mr. Robert E. Slavin is a highly experienced public personnel manager with demonstrated expertise and a strong professional interest and commitment to human resources management as a specialty. He has recently directed several comparable assignments throughout the country. Mr. Slavin is President of our firm and will be the Principal-in-Charge for this study.

Mr. Kevin R. Patton is an experienced public sector human resources executive with a solid background in developing and comparing compensation and classification systems and ensuring job descriptions are complete and in compliance with best practices. Mr. Patton will be the Project Director for this assignment. Other assigned staff has advanced degrees and/or substantial practical public-sector experience.

Our project team is available to begin this important engagement shortly after notification of award. This proposal is valid for ninety (90) days from the date of its submittal.

Thank you for the opportunity to submit this proposal. We look forward to working with the City of Gulf Shores on this strategic and very important assignment. If you have questions concerning this proposal, please contact me at (770) 449-4656 or Kevin Patton at (336) 214-5084. Both can be reached by e-mail at slavin@bellsouth.net,

Very truly yours

Robert E. Slavin
President

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Who we are. . .

Firm Profile

Slavin Management Consultants is an independent management consulting firm. The Corporation's operations are nationwide. SMC was founded in 1988 by local government practitioners to provide quality human resources services to public sector organizations. Our background and experience prepares us to understand the nature and culture of local government entities and the difference between the public accountability of our clients and organizations in the private sector. Our mission is to offer services of high quality to our clients to facilitate their organizational goals and objectives. We maintain cutting-edge knowledge of new management technologies and focus on adapting these technologies for the local government environment.

SMC is committed to providing distinctive consulting services to local and state governments, health care providers, transit authorities, utilities, special districts, libraries, and not-for-profit clients. Specialty practice areas include compensation and classification studies, executive recruitment, performance appraisal systems development and training, organization analysis, quality management and productivity improvement, strategic planning, staffing studies, training, policy studies and other general management consulting. Our key consultants have conducted successful assignments for hundreds of public sector organizations nationally and can offer numerous references as testimony of our work.

The Compensation and Classification Division of SMC assists our clients with a multitude of human resources related projects. SMC's approach to personnel studies is very interactive. We recognize that a project's success is dependent upon employee and management acceptance and believe an interactive approach, plus our Consultants' expertise and state-of-the-art methodologies, are directly responsible for our extraordinary success rate. In the last fourteen years, SMC has conducted approximately one hundred public sector human resource consulting projects throughout the nation.

SMC required RFP information is:

Slavin Management Consultants (Corporation)
3040 Holocomb Bridge Road, Suite A-1
Norcross, GA 30071

Contact Persons:

Robert E. Slavin
Phone: 770-449-4656
Fax: 770-416-0848
slavin@bellsouth.net

Kevin R. Patton
Phone: 336-214-5084
KevPatton336@gmail.com

Robert E. Slavin

Mr. Slavin is President of Slavin Management Consultants (SMC). As Principal-in-Charge, he will ensure that the resources of the firm will be made available to the Client and direct the technical approach to the project.

Kevin R. Patton

Mr. Patton is a highly experienced public sector human resources manager with demonstrated expertise and a strong professional commitment to strategic compensation and classification as a specialty. He is a respected prior local government manager and consultant with significant experience in compensation and job classification in public sector environments. Mr. Patton will be the Project Manager and responsible for the day-to-day management of the project.

Staffing

ROBERT E. SLAVIN

Executive Recruitment/Compensation/Classification/Staffing Analysis

PROFESSIONAL EXPERIENCE

Assistant City Manager/Director of Personnel for the City of Beverly Hills, California.

Recruited literally hundreds of local government executive positions for local governments throughout the nation.

RELEVANT PROJECT EXPERIENCE

Project Manager for a comprehensive compensation and classification project for all represented positions for a village near Chicago.

Served as team leader of a county-wide pay and classification study of all clerical positions for a major California county.

Conducted a pay and classification study for all public works maintenance positions for a large county.

Created the classification and pay systems for a large, newly-formed bus transportation system in Northern California. (Involved combining two private systems and one public system with employees represented by different local and national unions.)

Conducted a pay and classification study for County Counsel's and Public Defender's offices for a large county.

Conducted a pay and classification study of all para-professional medical positions and patient admitting, accounts and billing positions for a large urban California medical center.

Administered pay and classification systems for two urban, unionized and civil service California municipalities.

Conducted numerous salary surveys, and classification and pay comparability studies for two municipalities.

Revised hundreds of position classifications to remove discriminatory requirements and language.

Conducted non-sworn law enforcement position classification and pay studies for two cities and one county.

Conducted executive and middle-management pay and classification studies for two California municipalities

EDUCATION

Bachelor of Science in Political Science

University of Santa Clara

AFFILIATIONS

International City/County Management Association (ICMA)

Society for Human Resources Management (SHRM)

International Personnel Management Association (IPMA)

American Society for Public Administration (ASPA)

YEARS OF EXPERIENCE

Public Sector: 12

Consulting: 40

KEVIN R. PATTON, SPHR, IPMA-CP
Compensation/Classification/Rewards Methodology/Staffing Analysis

PROFESSIONAL EXPERIENCE

Town Manager for an urban government with multi-functional responsibilities.

Assistant Human Resources Director in the Research Triangle area of North Carolina, with responsibility for all personnel policies and practices for 2200 employees.

Effectively implemented, administered, and redesigned the total compensation package for a large urban city with multiple compensation systems and 2200 employees.

Selected, implemented and administered the human resources module of an Enterprise Resources system and researched extensively for additional technology to increase efficiency and effectiveness of a human resources department. Implemented a comprehensive accounting, billing, and human resources system to enhance the town operations'.

Established performance and productivity standards for over one hundred employees, including clerical, technical and professional, in the Town of Smithfield, North Carolina.

Implemented a pay-for-performance system in small and large urban governments.

Developed extensive communications programs for employees in pay-for-performance as well as personnel policies.

RELEVANT PROJECT EXPERIENCE

Directed numerous Compensation and Classification Studies for local governments. Developed compensation philosophies, job analysis methodology to identify skills, knowledge and abilities of individuals and organizational functions.

Developed performance appraisal systems and incentive systems for local governments.

Conducted staffing analyses and audits for local governments.

Analyzed and reorganized/restructured a Human Resources Department with over 20 staff members to improve service delivery and function.

Certified by the Human Resources Certification Institute (SHRM) as a Senior Professional in Human Resources and International Public Management Association for Human Resources-Certified Professional.

Published Article - Public Personnel Management, Spring 1998. Topic and title "Zebulon Gainsharing: What Do Employees Want?" and a research paper presented at the Academy of Management international conference in 1998

EDUCATION

Master of Public Administration - North Carolina State University

Master of Science in Accounting – University of North Carolina at Greensboro (Currently Attending)

Lean Six Sigma Black Belt Trained – Alamance Community College

AFFILIATIONS

International City/County Management Association (ICMA)

Society for Human Resources Management (SHRM)

International Personnel Management Association (IPMA)

North Carolina-IPMA (President 2013-2014)

Our extensive experience with projects of this type and our knowledge of local governments and their operations will provide a fresh, objective, scientifically based perspective. Our interactive approach and employee-oriented communications program will assure the involvement and commitment of employees and management while causing minimal disruption to your daily operations.

As indicated throughout the proposal, management will be provided with periodic updates and reports regarding the status and progress of the review. The Project Director will present project updates to management.

SMC consultants are well-known throughout the nation in the public sector. Our firm has performed dozens of similar projects, with recommendations fully implemented in approximately 98% of the studies.

References

Organizational References

	<p>Patrick Baker City Attorney Former City Manager City of Durham 101 City Hall Plaza Durham, NC 27701 Work: (919)560-4158 Cell: (919)451-4296</p> <p>Alethea Hardy Human Resources Manager City of Durham 101 City Hall Plaza Durham, NC 27701 Work: (919)560-4214 Cell: (919)215-9767</p> <p>The above references have specific and in-depth knowledge of the Project Director Kevin R. Patton's experience and competencies in successfully completing the project with City of Gulf Shores.</p> <p>City of Durham Project Management and Implementation of a Comprehensive Compensation and Classification Plan. Mr. Patton managed the project from cradle to grave and led the project group of 15 employees and committee members for 2200 employees, including Police, Fire, and First Responders. He worked closely with staff to ensure the process moved swiftly and all process were completed with a high degree of confidence. Mr. Patton guided the consultants through organizational issues that could have created barriers for continued study and implementation. He provided the strong leadership necessary to make this sizable project a success. Project was completed in October 2008 Patrick Baker (919)560-4158 and Alethea Hardy, (919)560-4214</p> <p>In-depth Knowledge and Understanding of Compensation Issues Mr. Patton proved his in-depth knowledge and understanding of compensation, classification, and rewards by taking the lead on an unfinished compensation project on his first day of work with the City of Durham. Mr. Patton stepped into a meeting and provided valuable insight into the issues the City was experiencing and began working with a team to solve such issues as bypassing, compression, internal inequity, and pay competitiveness. Alethea Hardy, (919)560-4214.</p> <p>Town of Smithfield Performing an Extensive Compensation and Classification Study Mr. Owens has knowledge of Mr. Patton's understanding of public sector and non-profit compensation and classification administration and analysis. One of Mr. Patton's first responsibilities as a Personnel Director was to perform a comprehensive compensation and classification study for an organization with 145 employees, including Police, Fire, and EMS. Mr. Patton was only employee working on the project. The project was completed in June of 1993. The project expanded to include building a performance/merit system.</p>	<p>Ron Owens Former City Manager Town of Smithfield 15207 Helmsdale Place Lakewood Ranch, FL 34202 Home: (941)907-8929 Cell: (941)993-4642</p>
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	<p>City of Rincon, GA Our work with the City of Rincon begins in March 2019. The City wanted SMC to create a pay system that meet the need to attract and retain qualified staff and to allow for systematic movement through the pay system. The project included developing incentive pay, certification pay, and review of appraisal system. Mr. Joh Klimm was the City Manager and can be reached at (912)650-1531.</p> <p>City of Aiken, SC Our work with the City of Aiken began in 2017. The City wanted SMC to create a pay system that meet the need to attract and retain qualified staff and to allow for systematic movement through the pay system for 100+ positions and 200+ employees. The project included developing incentive pay, certification pay, and review of appraisal system. The study was concluded in late 2017. Mr. Joh Klimm was the City Manager and can be reached at (912)650-1531.</p> <p>Emmet O'Neal Library, Mountain Brook, AL Our work for Emmet O'Neal library began in February 2016 with an update to the Library's compensation and classification plan. SMC reviewed the classification descriptions, compensation competitiveness, and a cursory review of the benefits plans for 18 positions. The project was completed July 2017. Ms. Lindsay Gardner is the current Library Director and can be contacted at (205)445-1193.</p> <p>City of Gulf Shores, AL Our work with the City of Gulf Shores began in 2010 and included a classification and compensation study of 102 positions, including Police and Fire. The study was concluded in early 2011 and has been fully implemented. Ms. Sandy Carden is the Human Resources Manager in the City. She can be reached at (251)968-1147.</p> <p>City of Takoma Park, MD Our work for the City of Takoma Park also began in 1997 with a performance appraisal system and later a full classification and compensation study including 115 employees, including Police and Fire. Each year since the completion of the classification and compensation study, we have assisted the City in the updating and maintenance of the compensation plan. We completed, in 2009, a comprehensive classification and compensation study for the City, updating the work from 1997. This study has also been fully implemented. Ms. Barbara Matthews is the City Manager in the City. The City is currently without a Human Resources Director. She can be reached at (301) 891-7268.</p> <p>Gulf Shores Utilities Our work with the Utilities Commission began in 2011 and included a compensation study for all employees. The study was concluded in October, 2011 and has been fully implemented. Mr. Clifford Johnson is the General Manager of the Utilities. He can be reached at (251) 968-6323.</p>
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<p>Client List</p>	<p>The following clients represent organizations for which our principal Consultants performed significant human resources and/or executive recruitment project work. This list spans some twenty years of experience of SMC consultants. Therefore, many of these project contacts have moved to other agencies or, in the case of elected officials, may not hold office today.</p> <p>Please contact SMC if you desire to speak with the individuals who were our project contacts. We will gladly give you the project contact's current telephone number and/or address.</p> <p>Alabama</p> <ul style="list-style-type: none"> Bessemer Public Library Birmingham Public Library City of Birmingham City of Gulf Shores City of Dothan Emmet O'Neal Library Gulf Shores Utilities Commission Jefferson County Housing Authority Jefferson County Personnel Board <p>Alaska</p> <ul style="list-style-type: none"> City of Valdez Ketchikan-Gateway Borough <p>Arizona</p> <ul style="list-style-type: none"> City of Bisbee City of Phoenix City of Glendale <p>Arkansas</p> <ul style="list-style-type: none"> City of Bentonville City of Little Rock <p>California</p> <ul style="list-style-type: none"> California Housing Finance Agency California State Government City and County of San Francisco City of Anaheim City of Beverly Hills City of Brea City of Burbank City of Camarillo City of Carson City of Corta Madera City of Culver City City of Los Angeles City of Modesto City of Oceanside City of Oxnard City of Pasadena City of Richmond City of Riverside City of Sacramento City of San Diego
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<p>California, continued . . .</p>	<p>City of San Jose City of San Juan Capistrano City of Santa Ana City of Santa Monica City of Simi Valley City of Sunnyvale City of Turlock City of West Hollywood Fresno County Fresno Economic Development Commission Fresno Employment and Training Commission Los Angeles Community Redevelopment Agency Los Angeles County Department of Community Public Health Los Angeles County Transportation Commission Los Angeles Music Center Operating Company Los Angeles Olympics Organizing Committee Mendocino County Port of Sacramento Riverside Transit Agency Sacramento Municipal Utility District San Diego County San Francisco Bay Area Rapid Transit District San Luis Obispo County San Mateo County Santa Clara County Sonoma County Southern California Rapid Transit District Yolo County Alameda County City of Berkeley City of Escondido City of Hemet City of Hercules City of Huntington Beach City of Long Beach City of Palo Alto Fresno Redevelopment Authority Monterey County Alameda-Contra Costa Transit District Bay Area Rapid Transit District</p>
<p>Colorado</p>	<p>Adams County School District #14 Arapahoe County Chaffee County City of Aurora City of Lakewood City of Northglenn City of Pueblo City of Thornton Eagle County</p>

<p>Colorado, continued . . .</p>	<p>Fremont County Gunnison County La Plata County Mesa County Mesa County School District 51 Moffat County Rio Blanco County Summit County</p>
<p>Connecticut</p>	<p>City of Enfield City of West Hartford</p>
<p>Florida</p>	<p>Children's Board of Hillsborough County Children's Services Council of Palm Beach County City of Atlantic Beach City of Boca Raton City of Boynton Beach City of Clearwater City of Destin City of Fort Lauderdale City of Gulfport City of Hollywood City of Jupiter City of Miami City of Miami Beach City of Miramar City of New Smyrna Beach City of North Miami Beach City of Ormond Beach City of Palm Bay City of Palm Beach Gardens City of Panama City City of Pompano Beach City of Sarasota City of Sunrise City of Titusville City of West Palm Beach City of Winter Park Dade County Escambia County Hillsborough County Indian River County Lake County Lake Sumpter Community College Lee County Lee County Port Authority Leon County Martin County Metro-Dade County Transit Agency Ocala Housing Authority Okaloosa County</p>

<p>Florida, continued. . .</p>	<p>Orange County Polk County Sarasota Bradenton Airport Sarasota County Seminole County Volusia County West Palm Beach Downtown Development Authority City of Delray Beach City of Gainesville City of Homestead City of Jacksonville Beach Palm Beach County Pinellas County Port Everglades Authority</p>
<p>Georgia</p>	<p>Association County Commissioners Bryan County Cherokee County Water and Sewer Authority City of Albany City of Alpharetta City of Atlanta City of Barnesville City of Cartersville City of Columbus City of Dalton City of Duluth City of Gainesville City of Marietta City of Monroe City of Sandersville City of St. Marys Cobb County Columbus Consolidated Government Columbus Water Works Forsyth County Georgia Municipal Association Glynn County Gwinnett County Hall County Whitfield County University of Georgia, Institute of Government CDC Federal Credit Union</p>
<p>Illinois</p>	<p>City of Bloomington City of Decatur City of Evanston City of Galesburg City of Highland Park City of Park Ridge City of Peoria</p>

<p>Illinois, continued . . .</p>	<p>Greater Peoria Mass Transit District Lake County Livingston County McHenry County Peoria County Peoria Housing Authority Village of Arlington Heights Village of Glen Ellyn Whiteside County</p>
<p>Iowa</p>	<p>City of Dubuque City of Muscatine City of Sioux City City of West Des Moines Muscatine County City of Davenport</p>
<p>Kansas</p>	<p>City of Olathe City of Pittsburg City of Topeka City of Wichita Saline County Sedgwick County</p>
<p>Kentucky</p>	<p>Blue Grass Airport Lexington Library System</p>
<p>Maine</p>	<p>City of Auburn</p>
<p>Maryland</p>	<p>City of Ocean City City of Rockville City of Takoma Park Local Government Insurance Trust Montgomery County Prince George's County</p>
<p>Michigan</p>	<p>City of Ann Arbor City of Lapeer City of Riverview City of Traverse City Kent County Washtenaw County City of Kalamazoo</p>
<p>Minnesota</p>	<p>City of Minneapolis City of St. Louis Park City of Worthington Ramsey County St. Louis County Arrowhead Regional Development</p>

Missouri	<p>City of Columbia City of Independence City of Liberty City of Springfield City of Kansas City Mid-America Regional Council (MARC)</p>
Nebraska	<p>Buffalo County</p>
Nevada	<p>City of North Las Vegas Clark County Las Vegas Housing Authority</p>
New Hampshire	<p>City of Concord</p>
New Jersey	<p>Borough of Bergenfield East Brunswick Township South Brunswick Township Warren County</p>
New York	<p>Orange County City of Garden City</p>
North Carolina	<p>City of Charlotte City of Durham City of Winston-Salem Lincoln County Public Works Commission of Fayetteville Town of Chapel Hill Town of Huntersville Triangle Transit Authority Mecklenburg County Orange County</p>
Ohio	<p>City of Gahanna City of Lakewood City of Oberlin City of Shaker Heights City of Upper Arlington Hamilton County Miami Valley Regional Transit Authority</p>
Oklahoma	<p>City of Bartlesville City of Broken Arrow City of Edmond City of Norman City of Oklahoma City City of Tulsa Metropolitan Library System of Oklahoma</p>

Oregon	City of Milwaukie City of Salem
Pennsylvania	Municipality of Mount Lebanon Springettsbury Township
South Carolina	Beaufort County City of Aiken Columbia Development Corporation Spartanburg Water and Sewer Authority
Tennessee	City of Columbia Memphis Housing Authority
Texas	City of Austin City of Brownsville City of Bryan City of Corpus Christi City of Dallas City of Del Rio City of Denton City of Eagle Pass City of Laredo City of Waco Dallas Area Rapid Transit Parkland Hospital, Dallas
Virginia	City of Chesapeake City of Franklin City of Manassas City of Norfolk City of Richmond City of Roanoke City of Virginia Beach Fairfax County Prince William County Town of Blacksburg Chesterfield County
Wisconsin	Brown County
Wyoming	City of Casper City of Laramie
Others	American Public Works Association International City/County Management Association HPS Industries, Inc. Lincoln Road Development Corporation

Scope of Services

In this section, we are describing our project methodology for conducting processes and methodology for establishing benchmarks for current and future comparisons, and to update employee salaries and pay ranges based on the information gathered, pay philosophy, and City of Gulf Shores' values. The Work Plan is divided into the phases stated and describes and follows a sequenced process of tasks designed to complete the services requested. The proposed timetable is included at the end of this section.

Our project approach is very interactive. We work closely with management staff in a "team" approach, recognizing that the success of this project is dependent upon management support and trust and employee acceptance.

Part 1 Compensation Study

SMC will use the information gathered by the City of Gulf Shores on surrounding organizations. The survey information will be compared to City of Gulf Shores' current classifications and compa-ratios will be developed to determine competitiveness. SMC will provide the City of Gulf Shores with market rate information and classification hierarchy will be retained. Below is the process SMC will perform.

Any additional trips will be added to cost of the project.

Step 1: Project Initiation

A portion of the project initiation work has been completed. SMC will meet with City of Gulf Shores management team to determine the following:

- Compensation philosophy of City of Gulf Shores. On this call, we will work to develop general philosophies and strategies. Issues to be addressed include the following:
 - market pricing versus job evaluation;
 - relative priority of internal versus external equity;
 - labor market selection;
 - critical compensation and pay practices issues;
 - issues regarding associated policies; and,
 - issues regarding longevity and/or merit pay;
- Obtain copies of all available information on existing human resources and salary administration practices (e.g., organization charts current job descriptions, salary schedules, policy manuals, personnel listings, etc.).

Step 2: Collect Job Data and Analyze Classes of Jobs

The definition of classifications within a compensation plan is the foundation upon which the entire compensation system rests. The accuracy and validity of classifications cannot be over-emphasized because all subsequent compensation decisions are made on the assumption of the accuracy of the basic classifications.

The City of Gulf Shores stated the classification system had recently been studied and is confident the system is current. SMC will use the current job classifications as benchmarks for the salary study. The classification specifications will be the basis for comparison to benchmark organizations.

Step 3: Conduct Survey

Because the City of Gulf Shores is concerned about competitive rates and internal and external integrity of its compensation plan, we will perform an analysis of the pay structure(s) in comparison with the external information obtained by the City of Gulf Shores. SMC will build a compensation plan that fits the expectations of the City of Gulf Shores.

The City of Gulf Shores is more concerned about having a compensation system to place employees in the correct pay grade and pay step. For this to be achieved, the City will need to make some decisions on the number of steps in the range, length of range and separation between ranges. Once these decisions are made, SMC will begin the process of comparing positions to grades and steps.

In this step, we will collect data and formulate quantitative analyses comparing overall compensation plans and practices of the City of Gulf Shores and the labor market. Since the City has identified a small labor market, SMC will use organizational hierarchy and equity as the main driver for compensation assignment.

Step 4: Analysis Compensation Plan

We will conduct a full analysis of all data collected by the City and present extensively detailed reports of our findings. At a minimum, our analyses will include:

- Average actual salaries for all classes in the City.
- Average salary range data (minimum, mid-point, maximum) for all benchmarked positions.
- Compa Ratio of each employee's salary (e.g., ratio to the market).

Optional processes:

- Incentive and skill-based pay.
- Executive, on-call and other identified pay types.

A report encompassing findings from these analyses will be presented to appropriate management staff and will include our critique and recommendations. In this activity, we will design the City of Gulf Shores' salary structure(s) for comparison with the City's expectations and evaluation of individual job placement within the structure. SMC will:

- Maintain current pay structure(s) appropriate for the City of Gulf Shores' compensation philosophy.
- Compare individual job placement with marketplace and identify general appropriateness and individual problem areas. Make recommendations for correction of problems.
- Evaluate appropriate relationships within the Compensation and Classification Plan.
- Perform cost analyses and develop two (2) or three (3) alternative implementation plans.
- Present preliminary results to the City of Gulf Shores management for review, discussion and revision, if appropriate.

Step 5: Recommend Administrative Policies

SMC will review and recommend changes to policies which the City has requested a review. At a minimum, SMC will develop policies for the movement through the pay steps.

Part 2 Finalizing Project

Step 1: Train the City of Gulf Shores Staff and Present Final Report

During and at the completion of the study, SMC will provide training and materials to the appropriate staff for continued administration of the system. SMC believes in providing adequate training in the classification and compensation system so that in-house staff can maintain the system without continued assistance. Further, we are available without charge for telephone/email consultation about any aspect of the system for the first year after a project is implemented. At the conclusion of this study we will present our Final Report to the appropriate management staff and/or elected officials.

In this step, we will:

- Prepare a Final Report including all project findings, salary survey analyses, pay plan recommendations and implementation plans, administrative policies, class specifications and allocation lists.
- Provide all pertinent data for continuing the program on a flash drive for use with a personal computer.
- Present the Final Report to management and/or elected officials.

Step 2: On-going Support

SMC works with many of our clients on either a retainer or as-needed basis to assist them in continuing administration of their plans. During the first year after completion of the study, you may call us at any time for free consultation regarding any aspect of the plan.

In future years, we will be most happy to provide additional services such as developing class specifications, evaluating and classifying jobs, updating the pay structure, advice regarding plan administration or a multitude of other related services at very low costs. Many of our clients continue a professional relationship with SMC for years.

COST PROPOSAL

We propose the following costs to perform the work described in this proposal.

Professional Fees:

Project Manager @ one hundred dollars (\$100.00) per hour
 Compensation Analysts @ fifty dollars (\$50.00) per hour depending upon assignment.

Professional Fees:

Project Component	Estimated Professional Hours	Cost
Project Initiation	40	\$3,800
Compensation Study	130	\$12,000
Classification Review and Study	110	\$10,500
Benefits Study	95	\$10,000
Plan Finalization and Implementation	35	\$3,300
Totals	400	\$39,600

Estimated Travel Costs:

Project Component	Number of Trips, Staff and Duration	Cost
Project Final Report	1 trip, 1 day, 1 staff person	\$1,275

Travel costs are a direct reimbursable to the jurisdiction (at a potential savings) if the City of Gulf Shores desires. One trip is scheduled for this project; however, if trips are made, the City will reimburse SMC \$1,275 per person per trip.

Total Cost of Project: \$42,300

Notes:

1. We request payment in three equal monthly installments, withholding 10% of the total project cost until satisfactory completion of the study.
2. We will be happy to discuss modification of any part of this proposal.
3. Each additional trip will cost \$1,275.

PROPOSED PROJECT SCHEDULE

First Week*	<u>Project Initiation.</u> SMC conducts call with the City of Gulf Shores to discuss project initiation and request needed information.
End of First Week	<u>City of Gulf Shores Forwards Stated and Requested Data.</u> Any data, information and/or documents requested during Project Initiation are due in SMC offices. The City will approve and contact study participants.
Third Week*	<u>Compensation Study is Initiated.</u> City of Gulf Shores forwards salary information to SMC. The City will approve the positions and questions to be included in the study.
Fifth Week	<u>Study of City of Gulf Shores Structure Begins.</u>
Seventh Week	<u>Analysis of Job Specifications</u> SMC will review current job specifications to determine if changes will need to be made the City's pay system of merit system.
Ninth Week	<u>Compensation Analysis Begins.</u> Gather information from the compensation study and provide comparison to current pay system. A limited benefits and time off study will be performed.
Tenth Week	<u>Discussion on Internal Hierarchy and External Competitiveness</u> Through a conference call, SMC and the City will discuss the City's current internal position hierarchy and external competitiveness.
Twelfth Week	<u>Preliminary Findings and Recommendations from Study are Discussed with City of Gulf Shores Management Staff.</u>
End of Sixteenth Week*	<u>City of Gulf Shores Responds to Preliminary Findings and Recommendations of Study Including Comments on Relationship of Positions within Department.</u>
Eighteenth Week	<u>SMC Reviews All Findings from Study and Develops Recommendations and Final Report on Project.</u>
Twentieth Week	<u>SMC Presents Final Compensation System.</u>

* These dates are critical if the project schedule is to be maintained. If slippage occurs in these dates, the end of the project will also slip.

Actual dates will be based on the start date (Project Initiation) of the project.

Concluding Remarks

SMC is pleased to have this opportunity to prepare a proposal for the City of Gulf Shores. Our extensive experience with projects of this type and our knowledge of the public sector will provide a fresh, objective, scientifically-based perspective.

This Compensation Study will result in recommendations for setting fair salaries and assuring internal equity and external competitiveness of pay.

Contract Deliverables

- Development of the City of Gulf Shores' compensation philosophy.
- Salary survey findings, analyses, and recommendations.
- Development of compensation plan(s) and recommendations for placement of individual classes and employees in the proper pay grade, and alternative costs of implementation (including impact on budget).
- Summary of findings and recommendations including cost analyses and alternative implementation plans.
- Recommendations for continuing administration of the plan.
- Final Report and presentation.
- Ongoing support for plan upkeep, free for the first year and at very reasonable costs in future years.