

Request for Qualifications and Proposals

The Woodlands Township has authorized qualifications and proposals to be received for:

Compensation & Classification Study

Contract Number: C-2022-0393



RESPONSES DUE: October 19, 2022 by 3:00 P.M. CDT

Return Responses to:

The Woodlands Township

Attention: Angela Branch, Director of Human Resources

abranch@thewoodlandstowship-tx.gov

2801 Technology Forest Blvd

The Woodlands, Texas 77381

I. Introduction

The Woodlands Township is seeking qualifications and proposals from qualified firms to perform a comprehensive compensation and classification study. The Township will accept proposals addressed to The Woodlands Township, Attention Angela Branch, Director of Human Resources, 2801 Technology Forest Blvd., The Woodlands, Texas 77381, or abranch@thewoodlandstowship-tx.gov until October 19, 2022 at 3:00 p.m. CDT from firms/providers interested in providing the requested services outlined below in the Scope of Work section. Proposals shall be plainly marked with the name and address of the proposer, "Compensation & Classification Study."

II. General Information

The Woodlands is located on 28,000 acres of forestland 27 miles north of Houston, Texas. The community has more than 120,000 residents, 2,100 businesses and a valuation of more than \$22 billion. It is well known for its extensive park and recreation amenities, golf courses, corporate headquarters, schools, places of worship, shopping, dining, hospitality and health care. The community is designed to provide a "real hometown", where people can live, work, play, learn and grow together.

The Woodlands officially began in 1974. From 1974 through 2009, three major community associations and a special purpose district provided services for most residents and businesses. On January 1, 2010, the three community associations and the district were combined and became The Woodlands Township.

The Woodlands Township is a special purpose district, not a city, which serves as the primary governmental service provider for the community. It provides fire protection, environmental services, parks and recreation maintenance and programming, as well as public transportation, economic development, and supplemental law enforcement, among many other municipal-type services, programs and amenities. The Township is governed by a board of directors composed of seven at-large directors, each serving a two-year term and elected by voters within The Township in both Montgomery and Harris Counties. The current property tax rate is 18.5 cents per \$100 of valuation and the consolidated budget exceeds \$148 million.

The Township staff and Directors are committed to public safety and exceptional levels of customer service. Together, they responsibly fulfill the governance needs of the community while promoting the economic development of The Woodlands and providing services that enhance property values. The Township currently employs approximately 500 regular employees and 450 seasonal employees across four locations and eight fire stations in The Woodlands.

Local Governance

In 2007, through legislation, a referendum, and Regional Participation Agreements (RPAs) with the Cities of Houston and Conroe, The Woodlands gained the ability to determine its future governance structure including the option of incorporation as a municipality at a future date. In accordance with legislation and the RPAs, incorporation can occur at any time prior to November 2057 and will require an election by voters.

In the 2017 State Legislative Session, the pathway to incorporation for The Woodlands was clarified through the passage of SB1014 and SB1015. The Woodlands Township called an incorporation election in 2021; however, voters did not approve the propositions.

III. Scope of Work

Objective

The Woodlands Township wants to attract and retain high-caliber employees. To achieve this goal, the Township desires a total remuneration package that is internally equitable and externally competitive. The Township desires a compensation and classification system that is competitive within the market, complemented by competitive health and welfare benefits, retirement benefits, and other forms of compensation.

The Woodlands Township is seeking a qualified and competent provider of professional services (“consultant”) to provide an independent analysis and to develop and recommend a Compensation Philosophy that meets the above objective. The consultant will design, propose, and lead the Township in implementing a comprehensive compensation plan that aligns with the proposed Compensation Philosophy and classifies all Township positions appropriately within the plan structure.

General

It is anticipated that approximately 150 positions of general employees and 15 fire and dispatch positions will need to be surveyed. For general employee positions where the Township competes with private sector employers, such as Administrative Assistants, Accountants, Facility Maintenance and IT positions, the Township would like to include private sector data in the market analysis.

In addition to the evaluation and market analysis of positions, the Township would like to evaluate the current pay plan for the Fire Department including incentive and special pay. The Township further desires to consider incentive pay for general employees as it compares to similar municipalities.

The Township would also like to evaluate the competitiveness of existing health, welfare, and retirement programs offerings, and other forms of compensation that are not currently offered by the Township (e.g. longevity pay, lump sum payments at range max, bonuses, performance-based pay, certification pay, etc.).

Scope of Services

- A. The awarded consultant will facilitate discussions with appropriate stakeholders to establish a Compensation Philosophy for The Woodlands Township. The Compensation Philosophy will include the goals/objectives for compensation practices and desired position to market.
- B. The awarded consultant will review the current classification and compensation systems for all general employee positions and fire/dispatch positions. If possible, the Township’s desire is to leverage job analysis work completed by Township employees in 2019.
- C. The awarded consultant will work with Township staff and the Board of Directors to define the desired comparator market using objective criteria that are communicated to staff, such as proximity, demographics, tax base, and other factors. It is anticipated that the comparator group may be different by job family and include both public and private sector data for some job families.
- D. The awarded consultant will conduct a comprehensive compensation data collection/survey of external labor market(s) for all positions, analyze and evaluate all data in an objective manner. The consultant will make recommendations designed to ensure alignment with the Compensation Philosophy, and address both internal equity and external competitiveness for

either changes to current classification systems or for adoption of a newly designed compensation system.

- E. The awarded consultant will review current pay practices for competitiveness with the desired market and alignment with the Compensation Philosophy, including but not limited to practices to progress through the pay grades, promotional increases, and experienced hire starting pay.
- F. The awarded consultant will review the current health and welfare benefit programs, conduct a comprehensive compensation data collection/survey of external labor market(s), analyze and evaluate all data in an objective manner and shall make recommendations designed to complement a competitive total remuneration package.
- G. The awarded consultant will review the current Township retirement plans (401a, 457b, retiree medical) and provide value comparison to retirement plans of comparator agencies.
- H. The awarded consultant will review the Township's current practices and provide market data from designated comparators on other forms of compensation such as incentive pay, longevity pay, lump sum payouts at top of grade, performance-based pay, certification pay, retention/signing/performance bonuses, and executive pay.
- I. The awarded consultant will work with Township Human Resources to develop and implement a comprehensive employee communication plan to introduce the Compensation Philosophy, provide periodic updates during the study, and share study results.

IV. Response Form and Content

Responses must include the following content:

TAB A – Qualifications and Experience

1. Briefly introduce your firm, providing a summary of the administration, organization and staffing of your firm, including multiple offices, if applicable.
2. Provide an organizational chart indicating the positions and names of the core management team, which will undertake this engagement.
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.
4. Describe the experience of the firm in the last sixty (60) months in conducting compensation and classification studies of similar size and scope.

TAB B – Project Methodology

1. Provide an estimated timeline to complete the proposed work.
2. Provide a comprehensive communication plan for the study, including frequency and types of meetings anticipated by the consultant that will affect the various stakeholders (Human Resources, management team, and employees).
3. Provide a work plan that describes the firm's methodology, including a detailed project plan

and time frames from the award date to implementation.

4. The strategies and methods by which the work is performed must be included in the response and detailed sufficiently to allow the Township to determine compatibility of the approach to the Township's overall goals. Factors to be considered include, but are not limited to, market definition and use of standard surveys versus customized surveys.
5. Work plan shall clearly distinguish the firm's duties and responsibilities and those of the Township. Absence of this distinction shall mean the firm is assuming full responsibility for all tasks.
6. Please submit a brief description of how positions will be evaluated to determine current duties and responsibilities.

TAB C – Pricing and Fees

1. The proposals shall provide a breakdown of estimated fees for each phase of the project including an itemization of costs (i.e., applicable hourly rates, training, travel and per diem, etc.).
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 Request for Qualifications or optional services that may enhance the Township's benefit.

TAB D – References

1. Provide references for similarly successful projects from five (5) governmental agencies, including the name of the agency, contact name, telephone and email address.
2. Include names, email addresses, and telephone numbers of persons whom The Woodlands Township can contact for references regarding the firm's past performance on similar projects.

V. Questions

Pre-proposal questions will be accepted by Angela Branch, Director of Human Resources, The Woodlands Township via e-mail at abranche@thewoodlandstowship-tx.gov by 3 p.m. CDT on October 12, 2022.

Respondents to this Request for Qualifications may not contact The Woodlands Township staff (except as noted above), or any member of the Board of Directors during the selection process and evaluation phase.

VI. Selection Process & Timeline

A. Evaluation

Staff will review and evaluate all proposals based on the criteria noted in this Request for Qualifications and will rely primarily on the proposals submitted in the selection of one or more finalists. Respondents must emphasize specific information considered pertinent to the project and submit all information as requested. Evaluation criteria are as follows:

1. Qualifications and Experience – 35 pts
2. Project Design & Methodology – 35 pts
3. Rates, Fees & Expenses – 30 pts
4. References -- Required

B. Presentations or Teleconference

At the Township's request, respondents may be selected for in-person presentations and/or virtual meetings with the Director of Human Resources and other staff to respond to questions.

C. Project Timeline

Responses will be evaluated following the submission deadline of October 19, 2022. It is anticipated that the Board of Directors will choose a consultant in December 2022. The awarded consultant will make a presentation to the Board of Directors on January 25, 2023 with their initial assessment of the current compensation systems and work plan for the Compensation & Classification Study. Study results and recommendations would be presented to the Board of Directors in May 2023.

VII. Standard Professional Services Contract

The selected respondent will be required to enter into a contractual relationship with terms and conditions pursuant to standard contracting procedures of The Woodlands Township.

VIII. Submission of Responses

A. Due Date

All proposers shall submit one (1) unbound original and ten (10) bound copies of proposal documents, along with one (1) electronic version of the submission in a PDF format. All documents shall be received no later than October 19, 2022 at 3:00 P.M. CDT at the following address:

The Woodlands Township
Attention: Angela Branch, Director of Human Resources
2801 Technology Forest Blvd.
The Woodlands, Texas 77381

Proposals received after the closing time will be returned unopened. The proposal will be date/time stamped in the Human Resources Department when received, and this will be considered the official time of receipt. Facsimile transmittals and electronic transmittals will not be accepted.

Please be advised that in compliance with State of Texas Government Code, Section 2252.908, the successful business entity awarded a contract by the Board of Directors of The Woodlands Township must complete Form 1295 "Certificate of Interested Parties". The form can be found at www.ethics.state.tx.us.

B. Acceptance/Rejection/Modification to Responses:

The Woodlands Township reserves the right to negotiate modifications to proposals that it deems acceptable, reject any and all proposals, and waive informalities or irregularities in a proposal or in the proposal process.

- C. Economy of Preparation:
Proposals should be prepared simply and economically, providing a straightforward, concise description of the respondent's ability to fulfill the requirements of the project.
- D. Cost of Preparation:
The Township shall not be liable for any costs incurred by a respondent in preparing or submitting a proposal.
- E. Ownership:
Submitted materials become the property of The Woodlands Township and will not be returned.
- F. Public Records:
Until award of contract is made, per section 252.049 (b) of the Texas Local Government Code, there will be no disclosure of contents to competing respondents. All proposals will be kept confidential during the negotiating process. All proposals will be open for public inspection after the contract is awarded, or as otherwise required by the Texas Public Information Act.