



## TOWN OF VAIL REQUEST FOR PROPOSALS

### Compensation Consulting

**February 14, 2018**

#### **OVERVIEW**

The Town of Vail is seeking proposals from qualified consultants to conduct a comprehensive classification and compensation study and analysis.

Vail was founded as a ski resort in 1962 and was incorporated as a statutory town in 1966, adopting a Home Rule Charter in 1972. Vail has a Council-Manager form of government and is led by a seven member Town Council elected at-large. The Town of Vail has a total of 260 full-time and up to 100 seasonal/part-time employees.

Vail is located in Eagle County, Colorado, approximately 100 miles west of Denver on Interstate 70. The resort community encompasses about 8.5 miles in the Colorado Rocky Mountains. In 2016, Vail celebrated its 50th year of incorporation as a municipality with 5,300 permanent residents, 8,500 part-time residents, and as many as 35,000 daily guests during the peak winter season with summer event weekends rivaling the winter season. Vail's economy is driven by tourism with over 2.8 million visitors each year.

#### **BACKGROUND**

The Town's goals in this process are to analyze and recommend changes to our present compensation structure and provide the organization with a transparent and sustainable model to attract and retain highly-qualified employees in our resort community. Additional compensation system outcomes include: providing a credible position classification structure, suggesting competitive incumbent and new hire pay rates, providing professional progression/growth opportunities, a strategy to optimize our investment in compensation and manage rising employment costs.

The Town's Pay & Performance Policy was last updated with minor revisions in 2002. An internal compensation analysis is typically conducted annually using available survey data with seven comparison agencies located in the Colorado mountain region. Pay ranges are reviewed annually and minor adjustments may be made if warranted based on market data. The Town has primarily operated under a pay-for-performance philosophy (increases are 100% merit based) centered on annual performance review ratings with merit increases ranging from 0% to 4% in 2017. A skills based progression is available for Police Officer positions.

#### **SCOPE OF WORK**

The Town of Vail seeks proposals from consultants experienced in compensation structure, analysis and comparison to assist the Town in reviewing and evaluating our compensation practices.

The scope of work will include, but not limited to, a process which includes the following:

- Meet with the Town to review/discuss and finalize needs assessment and project goals, process, schedule, and other administrative details.
- Review and analyze the existing job descriptions, pay philosophy, FLSA designation and other background information. Make recommendations for any updates and/or changes to existing policies, practices, forms and other information.

- Develop, design, and recommend a compensation philosophy supported by stakeholders which aligns with the Town's strategic plan, operations, competitive outlook, and compliments our vision to be the premier international mountain resort community.
- Conduct a comprehensive analysis of the current compensation program and make recommendation for improvement and suggest plans to address issues including but not limited to: target comparison market, internal equity assessment, competitive salary analysis, index or standards for cost of living comparison, and strategies for critical skill recruitment and retention.
- Create and recommend a classification structure with recommendations for assignment for all positions within this structure commensurate with level of complexity, responsibility, knowledge, skills and abilities and/or other compensable factors. Provide implementation plan, process outline, and materials/guidance documents for future internal administration.
- Identify comparable organizations and competitive labor market comparisons for position classifications and conduct a full compensation survey, complete with recommendations and cost of implementation.
- Analyze existing compensation, identify recommendations for review and propose implementation methods to address issues/concerns.
- Recommend compensation levels, range spread, and range placement for positions based on market survey and internal analysis.
- Provide alternative methods to address internal inequities, pay compression and market adjustments.
- Present rationale for recommendations in written report and present new compensation plan and implementation plan with key stakeholder groups. (Prepare and present an analysis outlining the fiscal impact of recommendations)
- Develop employee communications plan to explain the process and implementation of recommendations.
- Work with the Human Resources Department, Town Manager's office, and other key staff in implementing the plan and strategies maintaining the program in the future.
- Serve as a resource for the Human Resource Department for compensation requests (such as position classification, equity adjustments, and hiring salaries) during the project.

Added option "Total Compensation Comparison": An optional addition to the above referenced scope would be a review of key benefit components to provide a total compensation comparison with the identified target market.

## **SUBMITTAL REQUIREMENTS**

Elements to be included in the Proposal:

- A. Letter of Interest, including the firm's history and the name of the principal and/or key personnel who will be assigned to work directly with the Town on this project. It is expected that the same key personnel be assigned to this contract for the duration of the process.
- B. Detailed qualifications and previous compensation consulting services, especially for local government entities and/or entities in resort or high cost of living areas.
- C. Description of the approach and plan for performing services outlined in the Scope of Work (see above), including:
  1. Statement of Methods and Procedures – a detailed description of the plan for

- accomplishing the work including: approach, methodology and procedures used to gather the data analyze findings and develop recommendations. If the consultant has a pre-designed system, provide a description of the job analysis or compensation methodology.
2. Content of Work Product – describe the way the work product will be presented upon completion, including any computer or software compatibility if applicable. Provide a sample of how information will be presented or a copy of previously completed similar study. Include information that the Town will be expected to provide to enable the work to commence.
  3. Work Schedule – provide a timeline indicating the start/completion dates and indicate key tasks/milestones for implementation of the proposed plan.
  4. List of recent references, including name and contact information, of communities/ organizations for which the firm has provided services during the past five (5) years;
- D. Fee Schedule - provide a detailed fee schedule outlining the services as presented in your proposal. If proposal includes any expenses to be billed separately from professional fees, provide a detailed estimate of such expenses.
- E. Proposed process and fee structure for the additional option of a Total Compensation Comparison to include a review of key benefit program comparisons with recommended target market.

### **SELECTION CRITERIA/EVALUATION OF PROPOSALS**

In addition to providing the information outlined in the submittal requirements, the proposals will be evaluated on:

Proposal quality – approach to the services and demonstrated understanding of the project and needs of the Town of Vail.

Background / Experience - experience in conducting compensation services and relevant experience and qualifications of personnel assigned to the project.

Implementation Plan – demonstrated ability (with examples) to successfully implement a comprehensive classification and compensation study and related processes.

Timeline / Schedule - clearly delineated timeline with specific milestones.

References - references were satisfied with the Proposer's work and stated that all tasks were completed within the time frame required.

Price/Fee Schedule – detailed fee schedule and expected expenses.

### **CONTACT AND SUBMITTAL TIMELINE**

Responses are due by **12:00pm Noon MST on Wednesday, March 7**, at the Town of Vail Human Resources Department by mail, fax, email or hand delivery.

Krista Miller  
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The Request for Proposals (RFP) will be available on the town's website (<http://www.vailgov.com/notices>). There will be no public opening of proposals.

## **GENERAL PROVISIONS**

### Limitations and Award

This RFP does not commit the Town of Vail to award or contract, nor to pay any costs incurred, in the preparation and submission of proposals in anticipation of a contract. The Town of Vail reserves the right to reject all or any submittals received as a result of this request, to negotiate with all qualified sources, or to cancel all or part of the RFP.

### Professional Services Agreement

The selected consultant will be expected to sign the Town of Vail Professional Services Agreement. A sample of the agreement is available here ([link](#)) and includes requirements for insurance, indemnification, a prohibition against employing illegal aliens (pursuant to Section 8-17.5-101, C.R.S., et. seq.), and other provisions.