



REQUEST FOR PROPOSALS TO PROVIDE:

2023 COMPENSATION STUDY REPORT

RESPONSE DUE BEFORE 3:00 P.M. ON

OCTOBER 27, 2023

**San Lorenzo Valley Water District 13060
Highway 9
Boulder Creek, CA 95006
(831) 338-2153**

I. INTRODUCTION

The San Lorenzo Valley Water District (the District) is soliciting proposals from qualified consultants to conduct a comprehensive compensation study and analysis of all District staff positions. The selected consultant is expected to develop externally competitive and internally equitable salary schedule recommendations for all job classifications, as well as perform an analysis of current job classifications and pay differential relationships relative to the organizational hierarchy. A detailed scope of services is included.

II. BACKGROUND

General

San Lorenzo Valley Water District (SLVWD or District) is a rural/urban water supplier to approximately 23,700 customers in Santa Cruz County, California. The District's legal boundaries encompass approximately 62 square miles within the San Lorenzo River watershed. Land uses are dominantly state and regional parks and other open spaces, water-supply watersheds, areas zoned rural residential and low-density urban residential and commercial (including schools), along with minor quarrying, logging, and agriculture. Much of the land within the legal boundaries consist of state parks and uninhabited forests, such that the District's actual service area comprises approximately 26 square miles.

The District was established in 1941 and is a Special District organized under Section 71000 of the California Water Code. The District has grown over time by the amalgamation of small mutual water systems. It currently operates and maintains two water systems, the SLVWD system and the SLVWD Felton system, which have different service areas and water sources. The SLVWD system service area includes the unincorporated communities of Boulder Creek, Brookdale, Ben Lomond, Quail Hollow, Glen Arbor, Zayante, and Lompico, as well as the following neighborhoods in and adjacent to the city of Scotts Valley: Hidden Glen, Lockwood Lane, Pasatiempo, Whispering Pines, Manana Woods, and the Spring Lakes and Vista Del Lago mobile home parks. The SLVWD-Felton system service area includes the unincorporated community of Felton and neighborhoods along Highway 9 south of Felton to Big Trees and on the west outskirts of Felton along Felton - Empire Grade Road. The two systems are connected by interties that allow transfer of water between them on an emergency basis.

The District relies on both surface water and groundwater resources, which are ultimately derived solely from rainfall within the San Lorenzo River watershed. Surface water is obtained from nine stream diversions (six of which are currently inactive due to damage sustained in the 2020 CZU wildfire). Groundwater is obtained from one spring and eight active wells. The District has limited above-ground storage capacity equal to only a few days' average use; hence, the District relies on groundwater for seasonal and year-to-year storage. The District produces and treats water based on short-term water demand. The water treatment plant for the SLVWD system is located above the community of Boulder Creek; the plant for the SLVWD-Felton system is located on Kirby Street in downtown Felton.

The scale and complexity of SLVWD's water distribution system reflect the San Lorenzo Valley's rugged topography, its low-density pattern of development, and widely distributed raw water sources. The resulting highly dispersed system results in the District maintaining 37 pressure zones. All but one zone includes a booster station to pump potable water up to the tank(s) associated with a particular zone. The cost to run each booster station pump is mostly a function of the elevation gain between the pump station and tank(s); age and design efficiency play a smaller part in determining energy expenditure. The District's dispersed layout requires that many zones be "pass-through" zones, meaning that potable water must be pumped from a treatment plant up to a zone, and then pumped again up to a second, third, or even fourth zone. As a result, pumping costs differ from zone to zone.

District's Small Wastewater System

The District operates the Bear Creek Estates Wastewater System, which collects and treats domestic wastewater flow from 56 homes in and around the neighborhoods along Deerwood Drive, Harmon Gulch, and Timberwood Road north of the community of Boulder Creek.

From 2005 through 2013, the District completed several upgrades aimed at achieving regulatory compliance and improved efficiency of nitrogen removal. This involved modifying the existing treatment septic system to incorporate a 3-stage trickling filter system, new internal recirculation/splitter/ball valves, and new air blowers with high-capacity disc diffusers in the clarifier tanks. There are still significant improvements to the wastewater system needed to meet modern State regulatory requirements.

There are no dedicated wastewater system employees. The system is operated on a routine or as-needed basis with District staff from the Water Fund Operations & Distribution or Supply & Treatment Departments. The District is in negotiations with the County to take over the operation of the wastewater system as part of a larger project in the community of Boulder Creek.

The overall enterprise budget for the 2023/2024 year is budgeted at \$39M, with \$9.5M being operating expenses, \$27.1M capital expenditures, and \$1.2M debt-related.

The District currently employs 37 full-time employees with various positions represented by AFSCME (American Federation of State, County, and Municipal Employees) and a management group providing their own representation.

Employee Information

There are 32 job classifications encompassing 37 full-time employees

- i. Classified Employees Unit, represented by a union, consists of 29 employees
- ii. Management, Supervisory, and Confidential Employee Unit, self-represented, consists of 7 employees
- iii. The General Manager has an employment contract with the Board of Directors, consisting of 1 employee

Current salary schedules consist of 7 steps, with 5% increases between each step

Cost of living increases are determined by the respective Unit's Memorandum of Understanding (MOU) and go into effect in January of each year

The District's fiscal year begins July 1st and ends June 30th

The Staff Representatives will coordinate and work with the consultant will consist of the following:

- iv. General Manager
- v. Human Resources Specialist
- vi. Classified Unit Representative
- vii. Management Unit Representative
- viii. Other members as needed

Documents

- [Personnel Contracts & Policies](#)
- [Organizational Chart](#)
- [Pay Rate Schedules](#)
- [Job Descriptions](#)

Learn more on the District's website: SLVWD.COM

III. PROPOSED SCOPE OF SERVICES

The District expects ongoing and open communication between the Staff Representatives and the Consultant during each phase of the study. The Staff Representatives will work with the Consultant to review job classifications, understand the District's organizational chart, and identify organizations that are similar and relevant to the District in terms of size (as measured by the annual budget and/or connections), system characteristics, and geography. The Staff Representatives will also assist the consultant in finding comparable job classifications in comparison with the District's. While the Compensation Study is expected to compare full benefit packages against comparable agencies, only the District's salary schedule will be reviewed and adjusted if deemed necessary. The compensation study will need to be completed by May 2024 per Addendum No. 1 to the MOU for the Management, Supervisory, and Confidential and Classified Employee Units (Addendum No. 1).

- **PHASE I**

- The District will provide the following information to the Consultant:
 1. Job classification descriptions.
 2. All salary schedules
 3. Current year 2023-2025 Biennial Budget
 4. Organization Chart
- Schedule an initial meeting with the Staff Representatives to discuss the process and tasks to be performed, such as methodology, project timelines, and project deliverables.
- Phases will continue once an agreed-upon strategy is reached.

- **PHASE II**

- Consultant to provide no fewer than 5 and no more than 15 comparable agencies to discuss with the Staff Representatives.
 1. The key attributes making the agencies comparable should be identified, such as, but not limited to: number of connections, annual budget, geography, labor market, cost of living, system characteristics, etc.
- Staff Representatives and Consultants to agree upon no fewer than 5 comparable agencies.
- Establish appropriate benchmarking standards and conduct salary surveys for similar positions comparable with the selected agencies.
- Consultant to attend two public meetings to explain the study, comparable agency selection, methods, and techniques to develop the study and data.

- **PHASE III**

- Consultant to present relevant salary data to be able to show maximum, median, and mean salary ranges.
- Present the proposed salary range schedule and methodology used to determine benchmarking standards and to achieve the agreed-upon terms and conditions in Addendum No. 1.

- **PHASE IV**

- Provide recommendations for how to implement any changes to the salary ranges, including phased increases per section 5.b. of Addendum No. 1.
- Recommendations for how to adjust salary ranges in the future.

- **PHASE V**

- Presentation to the Board of Directors and the public.

IV. PROPOSALS

Firm's Investigation

Before submitting a proposal, each firm shall make all investigations and examinations necessary to ascertain all conditions and requirements affecting the full performance of the proposed agreement

and to verify any representations made by SLVWD upon which the firm may rely. If a firm receives an award as a result of its proposal, failure to have made such investigations and examinations will in no way relieve the firm from its obligation to comply in every detail with all provisions and requirements of the agreement, nor will a plea of ignorance of such conditions and requirements be accepted as a basis for any claim whatsoever by the firm for additional compensation.

Submission of a proposal will serve as prima facie evidence that the Proposer has examined this RFP, the proposed agreement, and all attachments thereto and is fully aware of all conditions affecting the provision of services.

Proposal Submission

No oral interpretations will be made by SLVWD to any firm as to the requirements of this RFP. Emailed PDF proposals titled in Subject as 2023 Compensation Study Report will be accepted on or before 3:00 p.m. PST on October 27, 2023 (Deadline) at the email address below. Proposals tendered after the deadline will be rejected.

SLVWD reserves the right to reject any or all proposals for any reason and to waive any informality it deems in its best interest. Any requirements in the RFP that cannot be met must be indicated in the proposal. Proposers must respond to the entire Request for Proposals.

Proposal Format

Proposals must be clear, succinct, and not to exceed 20 pages, excluding cover letters and resumes, on 8 1/2" x 11" paper of no less than 12-point font. Responses must follow the format outlined herein. SLVWD may reject as non-responsive, at its sole discretion, any proposal or any part thereof that is incomplete, inadequate in its response, or departs in any substantive way from the required format. Proposal responses shall be organized in the following manner. Sections should be tabbed to identify the location of the required information.

- A) Cover Letter/Letter of Intent
- B) Executive Summary
- C) Project Understanding, Approach, and Schedule
 - A statement concerning the ability of the firm to meet required time schedules
 - A detailed outline describing how proposed individuals would conduct the project
- D) Firm Qualifications, Team Organization, Experience and Certifications/Qualifications
 - Previous experience
 - Present workload (ability to respond)
 - Previous projects and present relationship with SLVWD
 - Ability to perform the scope of services (all or a portion of the work as described)
 - Stability of firm
- E) Staff Qualifications
 - Program Manager

- Other key proposed roles

F) Subcontractor Qualifications

- The extent of subcontracting of work – Firms will need to be approved by SLVWD post-contract award

G) References

H) Cost Proposal

I) Additional Requirements

Proposal Content

Proposals must contain the following information in the specified order:

A) Cover Letter/Letter of Intent

The cover letter shall be addressed to Rick Rogers and must contain the following:

- I. Identification of the firm, including name, address, and telephone number.
- II. Name, title, address, and telephone number of contact person during the period of proposal evaluation.
- III. A statement to the effect that the proposal shall remain valid for not less than 90 calendar days from the date of submittal.
- IV. Signature of a person or persons authorized to bind the firm to the terms of the proposal.

B) Executive Summary

In a brief narrative, describe the overall approach and plans to meet the requirements of the RFP and provide the scope of services in Section III.

C) Project Understanding, Approach, and Schedule

The proposer shall provide a statement demonstrating the firm's understanding of the proposed scope of services and describe its approach in detail in a narrative, outline, and/or graph form to accomplish the scope of services in Section III. A description of each task and deliverable and the schedule for accomplishing each shall be included. This narrative intends to convey to SLVWD that the Proposer understands the nature of the work and the level of effort necessary to successfully provide the defined services.

D) Firm Qualifications, Team Organization, Experience and Certifications/Qualifications

The proposer shall provide information demonstrating the qualifications of the firm and key staff to perform the services identified in Section II. Including previous experience, present workload (ability to respond), previous projects, present relationship with SLVWD, ability to perform the scope of services (all or a portion of work), and overall stability of the firm. Provide evidence of the firm's financial stability, such as current financial statements, and clarify the extent to which the firm intends to provide all or part of the proposed scope of services.

E) Staff Qualifications

Proposers should submit an organizational chart illustrating team members and relationships for individuals who will be providing services to SLVWD. Included with the organizational chart should be resumes stating the qualifications (including education and years of experience) of the proposed staff members and the organizational structure that the Proposer believes would best serve the SLVWD and accomplish the scope

of work described in the Approach section of the proposal. Additional staff may be added with the approval of SLVWD after the contract award.

F) Subcontractor Qualifications

SLVWD desires to agree with one Proposer that will be responsible for all defined services. If the Proposer plans on using subcontractors as part of its implementation plan, then provide each subcontractor's profile, name, address, telephone number, and email address. Define the responsibilities and give a description of the services to be provided by each subcontractor.

Describe the firm's business and reporting relationship with each subcontractor. Identify certified Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) firms, if any. Include references and resumes for all third-party subcontractors in the proposal.

SLVWD has the right to accept or reject any changes made to the proposed project team members, including the use of subcontractors. SLVWD may request copies of the identified MBE or WBE firm certifications.

G) References

Provide a list of municipalities/counties for which your firm has provided similar services in the last 3 years. Any reference on the list may be contacted as part of the evaluation process. A minimum of three references is required. Each reference should include the following information.

- Name of Organization and Contact
- Title of Contact
- Email Address
- Telephone Numbers

H) Cost Proposal

Proposers should submit a proposal setting forth the defined costs for the services described in the Approach section of the proposal. Proposed costs must include hourly rates as outlined in the Cost Proposal Form with a not-to-exceed amount for the entire contract.

I) Additional Requirements

- Proposer shall provide a statement indicating the firm has reviewed SLVWD's proposed Professional Services Agreement, (Attachment A), and all attachments thereto, and can meet the agreement's requirements. The statement shall also identify any exceptions to the terms of the agreement, and if no exceptions are taken, state none.

Evaluation Criteria

The evaluation criteria and the respective weights that will be given to each criterion are as follows:

Meet Requirements – 40%

Project Organization and Experience – 20%

Proposed Fee – 40%

V. SELECTION PROCESS

The District intends to enter into negotiations with the top-ranked firm. Negotiations will cover the scope of work, contract terms and conditions, office arrangements, attendance requirements, and appropriateness of the proposed fee schedule.

After negotiating a proposed agreement that is fair and reasonable the General Manager will present a contract to the District's Board for authorization to execute a contract with the responsive firm.

VI. SELECTION SCHEDULE

The District anticipates that the process for selection of firms and awarding of the contract will be according to the following tentative schedule:

Proposal Due Date	October 27, 2023
Interview (TBD-If Necessary)	TBD
Board of Directors Approval	November 16, 2023
Final Selection and Notification	November 17, 2023

VII. SPECIAL CONDITIONS / ATTACHMENTS

None

VIII. SUBMITTAL REQUIREMENTS

1. Submit one electronic copy of the Proposal in PDF format by email. The proposal shall be signed by an individual, partner, officer, or officers authorized to execute legal documents on behalf of the Consultant.
2. The Proposal must be received no later than **3:00 p.m.** local time, on or before **October 27, 2023**, at the office of or emailed to:

**San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek, CA 95006**

Or

**cblanchard@slvwd.com
Attn: Carly Blanchard, Environmental Programs Manager & Administrative Analyst**

Failure to comply with the requirements of this RFP may result in disqualification. Questions regarding this RFP shall be submitted in writing to cblanchard@slvwd.com by October 23, 2023. The District will not respond to questions submitted after October 23, 2023.