

**American River Flood Control District
Total Compensation Study (Grace Consulting)
Staff Report**

Discussion:

The District hired Grace Consulting in 2014 to perform a Total Compensation study that looked at the market average pay and benefits for all of our pay classifications. This helped the District establish pay ranges that reflected the current market and allowed for competitive pay. The Study also looked at the benefit package provided by the District and other comparable local agencies.

In 2017, the District had Grace Consulting perform a similar study but only looked at updating the market average pay and adjusting the width of our pay ranges.

The District Personnel Committee met in February 2020 and directed staff to obtain a bid from Grace Consulting to update the Total Compensation Study for 2020. Attached to this staff report is the bid from Grace Consulting.

The bid includes a cost of \$9,265 to complete the study. The study would be scheduled for completion at the end of May for consideration in this year's Salary and Benefit's Adjustment recommendations.

Recommendation:

The General Manager recommends that the Board approve the bid for the total Compensation Study from Grace Consulting.



PROPOSAL TO CONDUCT

A

TOTAL COMPENSATION STUDY

PRESENTED BY

GRACE CONSULTING

**5108 COWELL BLVD.
DAVIS, CA 95618
(530) 756-5269**

graceconsulting@earthlink.net

FEBRUARY 2020



Grace Consulting
5108 Cowell Boulevard
Davis, CA 95618

February 23, 2020

Mr. Tim Kerr, General Manager
American River Flood Control District
185 Commerce Circle
Sacramento, CA. 95815

RE: Proposal to conduct a total compensation study

Dear Mr. Kerr:

Grace Consulting is pleased to submit this proposal to conduct a total compensation survey of approximately twelve (12) comparable districts and public agencies within the relevant labor market for seven (7) distinct District job classifications and to develop and present salary, incentive, benefit and structure recommendations based on the District's compensation philosophy and considering internal equity and market comparability factors that support District goals and objectives.

Grace Consulting offers a range of Human Resources, Organizational Development and Change Management consulting services. The company is a WBE certified sole proprietorship headquartered in Davis, California. Grace Consulting was founded in 2003 to provide state of the art consulting services to private and public sector organizations, non-profits, public utilities and special districts within California

Kathleen Grace will serve as principal consultant on this project. She is uniquely qualified to provide the full range of services requested by the District. She has over 25 years of experience in conducting classification, compensation and benefit studies for a broad range of public and private sector organizations, public utilities and special districts within the state of California.

If you need additional information, please contact me by phone at (530) 756-5269 or by email at graceconsulting@earthlink.net. Additional information about Grace Consulting and team associates can be found at www.consultingbygrace.com. I look forward to providing you with the services that you have requested.

Sincerely Yours,

Kathleen A. Grace

Kathleen A. Grace, Owner/Principal Consultant

A. INTRODUCTION:

Grace Consulting is pleased to submit this proposal to conduct a total compensation survey of ten (10) to twelve (12) comparable districts and public agencies within the relevant labor market for the American River Flood Control District (District). Grace Consulting staff will also develop and present market findings and salary, incentives, benefits and salary structure recommendations based on internal equity and market comparability factors. The study will encompass approximately seven (7) distinct District job classifications. This proposal has been prepared in response to a request received from Mr. Tim Kerr, District General Manager.

B. QUALIFICATIONS AND REFERENCES:

Ms. Kathleen Grace, Owner of Grace Consulting, will serve as Principal Consultant for this study. She has over 25 years of in-depth classification and compensation experience. The following table provides a sample of recent comparable projects that she has conducted and related references.

CLIENT	PROJECT
<p>Client: Oakdale Irrigation District 1205 East F Street Oakdale, CA. 95361</p> <p>Contact: Steve Knell, General Manager (209) 840-5519</p>	<p>Total Compensation study for all District positions.</p> <p>2019</p>
<p>Client: Glenn-Colusa Irrigation District 344 East Laurel Street Willows, CA 95988</p> <p>Contact: Dennis Michum, Finance Director (530) 934-8881</p>	<p>Total Compensation study for all District positions. Development and presentation of salary range structure for management, supervisory, confidential and exempt professional classifications.</p> <p>2018 - 2019</p>
<p>Client: City of Sebastopol 344 East Laurel Street Willows, CA 95988</p> <p>Contact: Anna Kwong, Finance Director (707) 824-4879</p>	<p>Base Salary study for al City job classifications that included identification of relevant market organization and included findings and recommended salary adjustments. (2019)</p>
<p>Client: Reclamation District 1000 1633 Garden Highway Sacramento, CA 95833</p> <p>Contact: Joleen Gutierrez, Admin. Services Mgr. (916) 922-1449</p>	<p>Total Compensation study for all District positions. Other projects: classification study with new job descriptions and structure; benefits study and development of 2-tier retirement plan (prior to PEPRA);development of a personnel policy guiding recruitment for the District; research and identification of regional training resources; and development of administrative desk procedures. (2008,2011,2014,2015,2016,2017,2018)</p>

CLIENT	PROJECT
<p>Client: American River Flood Control District 165 Commerce Circle, Suite D Sacramento, CA. 95815</p> <p>Contact: Tim Kerr, General Manager (916) 929-4006</p>	<p>Total Compensation study for all District positions. Base salary survey. (2014 and 2018)</p>

C. PROJECT OBJECTIVES:

The overall objectives of the project are:

- To gather salary and benefit information from ten (10) to twelve (12) comparable special districts and public sector agencies within the relevant labor market; and
- To develop, document and provide salary, incentives, benefits and salary structure recommendations that are based on the District's compensation philosophy and that consider internal equity and market competitive factors

D. METHODOLOGY:

To achieve the objectives of this project, the consultant will perform the following activities:

- Meet and/or confer regularly with the District's designated project representative(s): to establish project parameters, goals and objectives; to gather information for analysis and evaluation; to discuss issues identified for resolution and preliminary findings and recommendations for appropriateness and best fit; and to keep the District informed of the ongoing status of the project.
- Review all pertinent documentation to develop an understanding of the nature and scope of the work performed by positions within each classification. This will include: current job classification descriptions, organization charts, salary schedules, benefit plans and other pertinent documentation.
- Develop a total compensation survey instrument: to gather requisite salary, incentives and benefits data from appropriate survey organizations and submit the survey to the District for review and approval prior to distribution and data collection.
- Conduct a salary, incentives and benefits survey of ten (10) to twelve (12) comparable special districts and public sector agencies using a variety of methods including online research, email, phone, site visit and/or surface mail to gather the information needed to conduct market comparability analyses and to develop salary and benefit recommendations.
- Analyze all market data collected and develop findings and recommendations based on the District's compensation philosophy and consideration of internal equity and market comparability factors; analyze and compare benefit programs to determine market

comparability of the District's programs and develop appropriate recommendations for potential change.

- Develop and present a draft report of market findings and preliminary salary, incentives and benefit recommendations to the District for review and discussion and for input to the final project report.
- Develop and present a final report to the District that includes all findings, recommendations and project deliverables.

F. DISTRICT REVIEW:

Any work products developed during the above activities will be submitted to the District for review, comment, and/or approval. This is a very important step that helps to ensure accurate, reliable, and valid results.

G. DISTRICT RESPONSIBILITIES:

Successful completion of this project within the time specified depends largely upon the cooperation between the District and Grace Consulting staff. For this reason, we request that a project representative from the District be designated to coordinate project activities with consulting staff

The District's project coordinator will be responsible for the following activities:

1. Coordination of all meeting schedules, facilities and equipment needs
2. Identification and provision of current classification and structure information (i.e. job classification descriptions, salary and benefit plans, organization charts, existing labor agreements and other pertinent documentation)

H. REPORTS AND RECOMMENDATIONS:

Grace Consulting will provide all reports and recommendations, verbal or written, to the District for confidential use and/or implementation. Written reports or other project deliverables will first be submitted in draft form for review and discussion. Informal communication will be ongoing throughout the project, and Grace Consulting staff will be available to answer questions, make recommendations on process and outcomes, and to provide assistance on project related matters.

I. ESTIMATED TIMELINES

We expect the project to take approximately ten (10) weeks of active and elapsed time to complete. The timeline below represents target timelines for the major phases of the project. In general, project activities will follow this timeline.

- **Weeks One-Two:** Initial project meeting to establish project parameters, gather documentation and identify potential survey organizations; documentation review, development of survey instrument and database, and initial contact of survey organizations to identify specific contact person.
- **Weeks Three - Seven:** Conduct survey online and by phone, site visit, email and/or surface mail of ten (10) to twelve (12) comparable organizations; review, validate, enter and begin analysis of all data collected.
- **Weeks Eight - Nine:** Analyze all market data for comparability and develop findings and preliminary recommendations; draft and submit a preliminary report of all findings and preliminary recommendations to the District for review and discussion.
- **Weeks Ten:** Edit and present a final project report of market findings and appropriate salary, incentives, benefit and structure recommendations to the District.

TIME & ACTIVITY SUMMARY

PROJECT COMPONENT	STAFF	HOURS
Project meetings and status updates, project planning and coordination	Kathleen Grace	5
Review all pertinent District documentation	Kathleen Grace	2
Develop survey instrument for District review; and develop database to enable analysis of market data	Kathleen Grace Personnel Technician Admin Support	4 8 4
Conduct survey of up to 12 comparable organizations online and via email/phone, surface mail and site visits.	Kathleen Grace Personnel Technician	10 30
Analyze all market data; conduct comparability analysis and develop salary, incentives, benefits and salary structure recommendations for consideration by the District	Kathleen Grace	18
Draft and present preliminary report of findings and recommendations to the District for review and discussion	Kathleen Grace Admin Support	10 6
Develop a final report containing all findings and recommendations and present to the District's Board of Directors (if requested)	Kathleen Grace Admin Support	6 4
TOTAL HOURS	Kathleen Grace Personnel Tech. Admin. Support	55 30 14

J. TOTAL COST ESTIMATE:**a. Introduction**

The cost structure of this project is made up of two major components:

- 1) Estimated hours of consultant involvement – this includes direct project time for each Grace Consulting team member or support person involved in the project.
- 2) Estimated expenses
 - **Project Expenses:** telephone, copying costs, and report material costs, etc.

b. Estimated Total Project Costs

Estimated total cost for this project should not exceed **\$9,265.00**. This amount includes:

- One Principal Consultant for a total 55 hours @ \$115.00 per hour
- One Personnel Technician for a total 30 hours @ \$65.00 per hour
- Administrative Support for a total 14 hours @ \$30.00 per hour
- Project expenses (copying, project-related phone calls, report materials, etc.)

SUMMARY COST ESTIMATE

Cost Item	Total Hrs	Rates	Estimated Maximum Cost
Principal Consultant ◇ Kathleen Grace	55	\$115.00/hour	\$6,325.00
Personnel Technician	30	\$65.00/hour	\$2,470.00
Administrative Support	14	\$30.00/hour	\$420.00
Miscellaneous Expenses (copies, phone, survey & report materials.)		Not to exceed	\$ 50.00
Total Costs			\$9,265.00

K. ALTERNATIVES/ADDITIONS TO TOTAL COST ESTIMATE:

The total cost estimate has been prepared as accurately as possible given the information provided to Grace Consulting. If changes or additional service is required, Grace Consulting agrees to discuss revisions to the project activities and to the cost estimate.

For any additional work requested by the District that is not covered by the scope of this proposal, we will charge an additional hourly rate that is based upon the level of staff required. Additional expenses incurred that are not covered by the scope of this proposal will also be charged. No additional work will be undertaken without the written approval of appropriate District management

CONSULTANT RESUME

Kathleen A. Grace, MBA, CCP

As a practitioner and consultant, Ms. Grace has over 25 years of experience in human resources and organizational development providing services to a wide range of public and private-sector organizations, public utilities and special districts. Services provided include: classification and compensation studies; organizational assessments; training for employee and management development; performance management system design and implementation and workload and staffing analysis. Ms. Grace also has extensive experience in the development and management of complex multi-disciplinary project teams.

Relevant Experience

- Owner - Grace Consulting Services
- Project Manager - CPS Human Resources Services
- Adjunct Faculty - School of Business, CSU, Sacramento
- Principal Consultant - Price Waterhouse LLP
- Sr. HR Specialist - Lawrence Livermore National Laboratory
- Sr. Consultant - Applied Research Consultants, Inc.
- Training Specialist - CA Dept of Education
- Training Specialist (EWIII), Yolo County Department of Social Services
- Eligibility Supervisor, Yolo County Department of Social Services

Experience Highlights

Grace Consulting: Ms. Grace provides a broad range of human resources and organizational development consulting services to public-sector, special districts and non-profit organizations such as the counties of Sacramento and San Mateo; the cities of Sacramento, Long Beach and Torrance; Alameda County Water District, East Bay Municipal Utility District, Lake Hemet Municipal Water District and non-profit agencies such as: the California Child Support Directors Association and the California Parks and Recreation Society.

CPS Human Resources Services and Applied Research Consultants Inc: Ms. Grace conducted and/or led a variety of compensation, classification, workload and staffing studies, organizational assessments, and process re-engineering and change integration projects for state and local government organizations within California, including the cities of Pasadena, Anaheim and Sacramento, the City and County of San Francisco, Turlock Irrigation District, Sacramento Environmental Management Department, Roseville Environmental Utility Department, Lawrence Livermore National Laboratory and Napa and Kern County Courts.

CSU, Sacramento: Ms. Grace developed and delivered courses on a variety of subjects for the College of Business, including undergraduate and graduate courses on organizational and leadership theory and application, strategic compensation and human resources management theories, concepts and applications.

Price-Waterhouse LLP: Ms. Grace led and participated in several multi-year, complex change initiatives relative to the integration of enterprise-wide automated systems for large, global, Fortune 500 organizations. Project activities performed included: business process re-engineering, job redesign, workload and staffing assessments, development of performance management systems, training and documentation design, development and presentation and organizational and cultural assessments for issue identification and resolution.

Lawrence Livermore National Laboratory: Ms. Grace was responsible for the day to day administration of the management and administrative pay programs. She provided lead

direction to a small analytical and support staff, developed and coached, trained and directed the work of an organization-wide team of job auditors, developed and implemented an organization-wide position description system, served as staff consultant to Laboratory management and the Compensation Policy Committee and served as project lead on a variety of HR/Compensation projects, including development of a qualitative classification system for the administrative and management pay program guiding the classification of 4,000+ employees.

CA Department of Education and Yolo County Department of Social Services: As Training Specialist at CDE and Yolo County, Ms. Grace developed and conducted training programs for new and existing employees. Courses included: new employee orientations, the interpretation and application of state and federal program regulations, budgeting and technical processes, customer service theories and applications, interviewing techniques, stress management, change management, time and workload management, cultural awareness and conflict resolution.

Yolo County Department of Social Services: As Eligibility Supervisor served as program resource to staff assigned to federal and state-funded Medi-Cal, cash assistance and food stamp programs and provided full supervision to staffs of 8 to 15 program technicians and administrative support staff. Led a variety of projects relative to the design and implementation of policies, procedures, and systems for implementation of program requirements and led a variety of multi functional HR projects including the development and implementation of a self-funded employee recognition program.

Education and Affiliations

- MBA (with honors), Business Administration, California State University Sacramento
- BS (with honors), Business Administration, HR Concentration, CSU Sacramento
- Member: World at Work (formerly American Compensation Association)
- Member: Society for Human Resources Management (SHRM)
- Member: International Personnel Management Association (IPMA)

Publications

- Masters Project: Compliance Guide on Title I of the Americans with Disabilities Act
- Compliance Guide for the Fair Labor Standards Act
- Analysis of the Federal Family Medical Leave Act

Certifications/Affiliations

- Certified Compensation Professional, World at Work
- Certified Senior Professional in Human Resources, SHRM (lapsed 8/2011)
- Top Security Clearance (inactive since 1996) Department of Energy