

# RFP 2023-05 WAGE COMPENSATION AND CLASSIFICATION STUDY

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## ADVERTISEMENT

TOWN OF BERLIN  
REQUEST FOR PROPOSALS  
RFP #2023-05  
WAGE COMPENSATION AND CLASSIFICATION STUDY

Due Date: **Friday, October 7, 2022**  
Time: 10:00 AM EST

The Town of Berlin is seeking Proposals for a Wage Compensation and Classification Study, to be completed and presented in two parts. Qualified firms are encouraged to visit the Town of Berlin website at [berlinmd.gov/government/request-for-proposals/](http://berlinmd.gov/government/request-for-proposals/) or contact Human Resources Director Kelsey Jensen at 410-973-2289/kjensen@berlinmd.gov for the official RFP. EEO.



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## GENERAL INFORMATION

**NOTICE:** Notice is hereby given that proposals will be received by the Town of Berlin, Maryland for a Wage Compensation and Classification Study by filing with the Town by the date and time and at the location as indicated herein.

### RFP # 2023-05 WAGE COMPENSATION AND CLASSIFICATION STUDY

**Due Date: Wednesday, October 7, 2022**

**Time: 10:00 AM EST**

#### **Deliver submittals to:**

Kelsey Jensen, Human Resources Director  
Town of Berlin  
10 William St.  
Berlin, MD. 21811  
Attn: RFP 2023-05

The Town of Berlin (the "Town") is seeking ("Submitter" or "Bidder") proposals for the conduct of a Wage Compensation and Classification Study. The study will be divided into two phases as discussed in greater detail herein. Proposals must be submitted to the address and by the date and time, and in the format indicated herein.

It is the responsibility of potential bidders to thoroughly review this Request for Proposal and ensure their full understanding of same.

Proposals received after the due date will not be considered. Submitters accept all risks of late delivery of mailed submittals regardless of fault.

The Town of Berlin reserves the right to reject any and all submittals and to waive irregularities and informalities in the submittal and evaluation process. This Request for Proposals ("RFP") does not obligate the Town to pay any costs incurred by respondents in the preparation and submission of their proposal. Furthermore, the RFP does not obligate the Town to accept or contract for any expressed or implied services.

It is the Town of Berlin's policy to assure that no person shall, on the grounds of race, color, religion, sex or national origin, as provided by Title VI of the Civil Rights Act of 1964, be excluded from participation in, be denied the benefits of, or be otherwise discriminated against. The Town is committed to a program of equal employment opportunity regardless of race, color, creed, sex, age, nationality, disability, or sexual orientation. The successful bidder ("Contractor") must comply with the Town of Berlin's equal opportunity requirements.

**ABOUT BERLIN:** The Town of Berlin is a community of approximately 5,000 people located on Maryland's eastern shore. The Town operates under a Strong Mayor form of government. The Town operates on a one-year budget cycle from July 1 through June 30. Berlin provides the following services to the community's residents: police, public works, parks, water, wastewater, stormwater, electric, economic development, planning, code enforcement, engineering (under contract), finance, and general administration. The Town has a total of 69 employees, not including the six elected officials. Of those employees, there are a total of 49 positions.



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## SCOPE OF SERVICES

The Town of Berlin seeks to enter into a contract with a qualified firm for a Wage Compensation and Classification Study for the purpose of evaluating the Town of Berlin's employee compensation rates and position classifications as compared to similar regional communities.

The Town of Berlin seeks to determine if the Town's current wage rates and position classifications are competitive with like-size municipalities\* within the region of Worcester, Wicomico and Somerset counties of Maryland, and Sussex County in Delaware.

Additionally, the Town of Berlin recognizes that many communities, in many jurisdictions, have undertaken similar studies and compensation reviews and the prospective bidder may draw on their experiences undertaking like projects in the development and implementation of the project provided the final product meets the Town's needs as outlined in this request for proposals and utilizes data gathered from sources that are meaningful in satisfying the requirements of the project, particularly as relates to the demographic and regional comparisons.

**IMPORTANT:** It is the intent of the Town of Berlin to award the complete project to one firm, but to divide completion into two phases:

Phase I: Wage Compensation Study

Phase II: Classification Study and Recommendation

The information provided below, in section A. MINIMUM SPECIFICATIONS, is intended to be an overview of the requirements of the completed, two-part study; it shall be the responsibility of the successful bidder to determine the division of work necessary to meet the desired end result. Depending on the final cost of the project, if awarded, Phase II may be postponed to Fiscal Year 2024 (beginning July 1, 2023).

\*The Town of Berlin owns and operates a municipal electric utility, which is unique in the region. Therefore, to facilitate appropriate data results, compensation and classification data will need to be obtained from the two primary non-government electric utilities in the region: Delmarva Power and Choptank Electric Cooperative, as well as other municipally-owned electric utilities in the State of Maryland.

### A. MINIMUM SPECIFICATIONS

The selected firm shall be expected to:

1. Develop and follow work plan and communications plan for the project with deliverables and milestones.
2. Provide for initial meetings with the project team to fully discuss the purpose, goals, and objectives of Compensation and Classification Study.
3. Provide a minimum of three (3) meetings, on-site or virtual, with the project team in addition to the initial meetings described above. The additional meetings will be used to provide briefings and to discuss upcoming activities. The briefing shall outline the progress to date and shall allow for question and answer periods.
4. Provide written status reports updating the Town on a monthly basis.
5. Create an articulated total compensation and classification philosophy customized for the Town of Berlin.



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6. Develop a system to be used for external competitiveness including, but not limited to the following elements:
  - a. Provide recommendations for inclusion, deletion and modification of benchmark classifications as they relate to ensuring a good representation of an occupational group, job family or profession and they must be expected to be found in other organizations (public and private as applicable).
  - b. Recommend appropriate market comparisons to be used for the survey and provide an explanation of why those market comparisons were chosen. The Town's desire is to have comparisons include comparable jurisdictions and private sector organizations locally, statewide, regionally and/or nationally depending on the recruitment market for the various positions.
  - c. Actual salaries (or average salaries) shall be collected for employees in the job from towns, counties and organizations with similar demographics to the Town of Berlin, which can include population, housing cost, median resident income, Consumer Price Index, employee-group size, cost of salary differential (prevalent wage rates in that area), average salary per full time equivalent compared to other town Berlin's size, total budget and type of jurisdiction from each of the survey respondents.
  - d. Conduct a compensation survey, analyze the information and develop recommendations for compensation specific to municipalities. The recommended compensation should support the organization's objectives and strategic priorities.
  - e. Identify the positions that have a greater need to be competitively paid. Conduct an internal equity review and analysis. Develop a cost estimate with recommendations for resolving any inconsistencies between internal equity and external competitiveness.
  - f. Identify where the current system is appropriate and total compensation is market competitive.
  - g. Identify ways in which the Town may adjust the total compensation structure to respond to changes within the Town, the market and the economy.
  - h. Recommend a methodology for implementation and a system for compensation and benefits plan maintenance.
  - i. Develop a comprehensive employee communications plan to explain the process and final recommendations.
  - j. The survey results shall be presented in summarized format, accompanied by appropriate data, including data contained in a computer media using Microsoft software.
7. Review the current compensation plan including the number of ranges and classifications and make recommendations.
8. Review and make recommendations on the following compensation alternatives and issues:
  - a. Design of alternative compensation programs if appropriate (such as a step plans or flat rates of pay)
  - b. Modification of market and merit increases
  - c. Review the effects of all other non-salary compensation and benefits
9. Conduct a thorough review of all current compensation policies and practices and recommend changes or additions as necessary to areas such as, but not limited to:
  - a. Hiring rates for new employees
  - b. Hiring rates for existing employees being promoted internally



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- c. Temporary compensation adjustments for employees fulfilling higher-level job duties for a short period of time (temporary upgrades or acting)
  - d. Compensation adjustments for employees worked out of class on a permanent basis
  - e. Best practices regarding executive hiring
  - f. Best practice concerning contracts and severance packages
  - g. Best practices regarding paying for certain levels of education or certifications
  - h. Performance merit-based increases
  - i. Topped out employees
  - j. Specialty compensations for Public Safety positions and other positions
  - k. Bi-lingual compensation
  - l. On-call and/or standby compensation
  - m. Overtime compensation
  - n. Shift differential
  - o. Temporary/Seasonal employee compensation
  - p. Reductions in compensation
  - q. Reclassification of a position
  - r. Rehire rates of compensation
  - s. Market adjustments
  - t. Compensation survey (how the survey is conducted, who are we comparing to, and building of confidence in the numbers)
  - u. Compensation trends (width of ranges, comparison to others, best practices)
10. Prepare a recommended implementation plan that is feasible within our current economic climate that includes an employee communication plan
  11. Recommend a schedule to allow Human Resources to update and maintain the total compensation, benefit and the total reward strategy, including an estimate of resources and staff required to perform these tasks
  12. Submit preliminary report with the work product to include recommendations on modifications to the Town's Total Compensation and Benefits, a Transition Plan for such modifications, and an analysis of emerging trends and total compensation for the Town to consider. Preliminary written report to be reviewed with the leadership team.
  13. Submit final report with the work product to include recommendation on modifications to the Town's Total Compensation and Benefits, a Transition Plan for such modifications, and an analysis of emerging trends and total compensation for the Town to consider. Final report will include an executive summary



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and all supplementary materials and the delivery of executive briefings as designated. Report and tables will be provided to Town both in writing and in electronic format (using Microsoft software).

## **B. DESIRED CONTRACT SCHEDULE**

1. Phase I: Wage Compensation Study – within six (6) months of award.\*
2. Phase II: Classification Study and Recommendation – within six (6) months of acceptance by the Town of Berlin of the final Wage Compensation Study above.\*\*

\*Sufficient time should be allowed for the Town’s review and modification of a draft Wage Compensation Study to enable final presentation of the Study by the six-month deadline as noted.

\*\*See caveat page 3, second paragraph under “IMPORTANT”

## **C. CONTACT INFORMATION**

Human Resources Director Kelsey Jensen  
Berlin Town Hall  
10 William Street  
Berlin, MD 21811  
Phone: 410-973-2289  
Email: [kjensen@berlinmd.gov](mailto:kjensen@berlinmd.gov)

All questions and concerns must be submitted to Ms. Jensen; information gathered from any other individual, including other employees of the Town unless specified by Ms. Jensen, may not be used in the preparation of this bid.

It is the responsibility of the bidder to make a full assessment of any factors which will influence the appropriate completion and final cost of the project.



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## SUBMITTAL REQUIREMENTS

The proposal may be submitted in a format as generally used by the interested submitter in replying to similar requests for proposals, but should include the following information.

- Statement of relevant licensure, certifications and qualifications as applicable for the completion of the project;
- A complete Cost Proposal/Work Estimate including thorough illustration of significant classifications of items and their associated costs.
  - Please note: The Town of Berlin is exempt from Maryland Sales Tax – information to be provided upon request.
- The completed List of Proposed sub-contractors (if applicable) as included in this RFP.
- The completed Signature page as included in this RFP.
- Additionally, submitters are encouraged to submit a narrative describing the expectations for execution of the contract within the Town of Berlin to include:
  - Scheduling of work to include a general idea of progression through the project.
  - Any other information the submitter feels is relevant for consideration, including what information will be needed from the Town of Berlin to assist in the completion of the study.

Printed and electronic or email submittals will be accepted. Regardless of the delivery method, it is the responsibility of the bidder to ensure delivery by the deadline.

- If printed, the Town encourages double-sided printing where appropriate. Complete submission should not exceed 10 sheets of paper and must be in a sealed envelope addressed to:

Town of Berlin RFP 2023-05  
Attn: K. Jensen, Human Resources Director  
10 William Street  
Berlin, MD 21811

- If electronic (via USB drive), USB must be clearly labeled: "TOB RFP 2023-05"
- If via email, send to [kjensen@berlinmd.gov](mailto:kjensen@berlinmd.gov) with the subject "TOB RFP 2023-05 Wage Compensation and Classification Study"

• **PROPRIETARY PROPOSAL MATERIAL:** Any proprietary information revealed in the proposal should be clearly identified as such.

• **SIGNATURES:** Proposal shall be signed by one of the legally authorized officers of said corporation. If awarded the contract, the Contract shall also be so executed.



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## DEADLINES AND IMPORTANT DATES:

**Pre-Bid Meeting:** No Pre-Bid Meeting is scheduled.

**Friday, September 23, 2022, by 4:00 PM – Deadline to submit questions:** Questions from potential Bidders will be accepted via email to [kjensen@berlinmd.gov](mailto:kjensen@berlinmd.gov) up to the deadline above. Questions received after this deadline, and questions that are phoned, faxed, sent through regular mail, or submitted via any other method or to any other email address will not be accepted. Oral responses or responses to questions submitted in any other format or to any other person will be non-binding. All questions and answers will be compiled into one document to be posted as indicated below.

**Wednesday, September 28, 2022, by 4:00 PM – Posting of responses:** Responses to questions from potential Bidders will be posted at the following link by the deadline. It is the responsibility of potential Bidders to visit the website for this information <http://berlinmd.gov/government/request-for-proposals/>.

**Friday, October 7, 2022, by 10:00 AM – Due Date for Proposals:** Proposals shall be submitted per the Submittal Requirements as indicated on the preceding page(s) and must be received by the deadline, at which time proposals will be publicly opened and read aloud at Berlin Town Hall, 2<sup>nd</sup> Floor Conference Room, 10 William Street, Berlin, MD 21811. Proposals received after that date and time will not be considered. Regardless of the delivery method, it is the responsibility of the bidder to ensure delivery by the deadline.

## EVALUATION CRITERIA AND AWARD OF CONTRACT

The following shall be considered in evaluating submissions and awarding a contract:

- Experience of contractor with similar projects
- Overall quality of proposal
- Project understanding
- Anticipated project cost

The Town may select a limited number of submitters for in-person interviews before a selection committee.

The Town reserves the right to reject any and all submittals and to waive irregularities and informalities in the submittal and evaluation process. This RFQ does not obligate the Town to pay any costs incurred by respondents in the preparation and submission of their qualifications. Furthermore, the RFQ does not obligate the Town to accept or contract for any expressed or implied services.

It is the practice of the Town to make award based on the lowest responsible bid. The Town reserves the right to accept or reject any and all submissions and the right to award contract based on factors other than cost.

• **CONTRACT AWARD:** The Town reserves the right to make an award without further discussion of the submittals. The contractor selected as the apparently successful contractor will be expected to enter into a contract with the Town. Following notification of selection, the successful bidder shall prepare its standard agreement for review by the Town. The Town shall not be bound, or in any way obligated, until both parties have executed the agreement. No party may incur any chargeable costs prior to the execution of the final Contract.





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• **CONTRACT NEGOTIATION:** The Town reserves the right to negotiate all elements of the submittals, proposals, terms and conditions, and/or scope of work as part of the contract negotiation process prior to any formal authorization of the Contract by the Town.

Unless specifically negotiated and mutually agreed upon, all applicable specifications of this Request for Proposals shall be considered as terms of the contract and shall not be overwritten or eliminated by conflicting language in the actual contract document.

• **EQUAL OPPORTUNITY EMPLOYMENT:** The successful contractor or contractors must comply with the Town of Berlin equal opportunity requirements. The Town of Berlin is committed to a program of equal employment opportunity regardless of race, color, creed, sex, age, nationality or disability.

• **TITLE VI:** It is the Town of Berlin's policy to assure that no person shall, on the grounds of race, color, national origin or sex, as provided by Title VI of the Civil Rights Act of 1964, be excluded from participation in, be denied the benefits of, or be otherwise discriminated against under any of its federally funded programs and activities.

• **INSURANCE REQUIREMENTS:** The Town shall be named as an Additional Insured on the successful bidder's contract. Insurance coverage needs to be in at least the following amounts:

- a. Commercial/General Liability: Each Occurrence - \$1,000,000; medical expenses - \$10,000
- b. Vehicle Liability: \$1,000,000
- c. Workers Compensation: \$1,000,000

The cost of such insurance shall be paid by the contractor.

It shall be the responsibility of the successful contractor to ensure that appropriate insurance is maintained by any subcontractors associated with the project.

• **HOLD HARMLESS:** The Town of Berlin shall be held harmless against claims for injuries to persons or damages to property, errors and omissions or professional liability that may arise from or in connection with the performance of work hereunder by the selected contractor, his agents, representatives, employees or subcontractors.

• **NON-ENDORSEMENT:** As a result of the selection of a contractor to supply products and/or services to the Town, the Town does not agree to the contractor's reference to the Town in any literature, promotional material, brochures, sales presentation or the like without the express written consent of the Town.

• **COMPLIANCE WITH LAWS, REGULATIONS, AND POLICIES:** In addition to nondiscrimination and affirmative action compliance requirements previously listed, the contractor or contractors ultimately awarded a contract shall comply with federal, state and local laws, statutes and ordinances relative to the execution of the work and other applicable provisions. This requirement includes, but is not limited to, protection of public and employee safety and health; environmental protection; waste reduction and recycling; the protection of natural resources; permits; fees; taxes; and similar subjects, including satisfaction of any outstanding payables to the Town of Berlin, whether related to the Contractor's business or personal account(s).



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Bidder: \_\_\_\_\_

## PROPOSED SUBCONTRACTORS

**Proposed Subcontractors:**

Individual/Firm Name and Tax ID Number	Address	Proposed work to be completed

Please attach additional sheet or continue list on reverse if necessary.



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Bidder: \_\_\_\_\_

**SIGNATURES**

I, the undersigned, am an authorized agent of the firm listed below and am authorized to submit the attached Cost Proposal for the RFP as indicated above. I certify that all information included herein is true and correct to the best of my knowledge. I further acknowledge the conditions and requirements expressed in the RFP and the agreement to adhere to same.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Firm Name: \_\_\_\_\_

Tax/EIN: \_\_\_\_\_

DBA (if different than above): \_\_\_\_\_

Address: \_\_\_\_\_

City, State Zip: \_\_\_\_\_

Phone: \_\_\_\_\_

