



City of Waukesha, WI

Proposal for Market Analysis/Compensation Study for 2023

5/23/23

Patrick Bracken, CCP, Vice President / Marianne Oyaas, Senior Consultant

May 23, 2023

Gina Kozlik, Interim City Administrator
Marquise Vasquez, Ph.D., Director of Human Resources
City of Waukesha
3rd Floor
201 Delafield Street
Waukesha, WI 53188

Re: Proposal for Market Analysis/Compensation Study

Dear Ms. Kozlik and Dr. Vasquez:

Thank you for the opportunity to submit this proposal for a market analysis/compensation study for the City of Waukesha, WI ("the City"). Through our extensive experience providing human resources advice to public sector clients nationwide, we think Segal is best qualified to assist you with this project. We have conducted similar projects for:

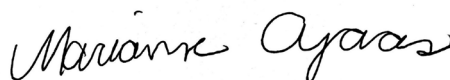
- [Waukesha County](#)
- [Milwaukee County Transportation Authority](#)
- [Milwaukee Area Technical College](#)
- [Kenosha County](#)
- [Washington County](#)
- City of St. Cloud (MN)
- City of Grand Rapids (MI)
- City of Lansing (MI)
- Barry County (MI)
- Bay County (MI)
- Bloomfield Township (MI)
- Charter Township of Bloomfield (MI)
- Great Lakes Water Authority (MI)
- Isabella County (MI)
- Kalamazoo County Government (MI)
- Oakland County (MI)
- Oakland Community Health Network (MI)
- Detroit Land Bank (MI)
- Wayne County Airport Authority (MI)
- Bishop International Airport Authority (MI)

We appreciate your consideration for this assignment and welcome the opportunity to meet with you to answer any questions you have. Please feel free to contact me by phone at 202.833.6452 or via email at pbracken@segalco.com. As an officer of the firm, I am authorized to bind the proposer to the terms of the proposal.

Sincerely



Patrick Bracken, CCP
Vice President



Marianne Oyaas, CCP
Senior Consultant

Executive Summary

We understand the City seeks the assistance of a consultant to conduct a market analysis/compensation study for 2023, affecting approximately 55 titles, covering 200-250 employees. In our recent discussions we have learned of a number of issues the City is experiencing in administering compensation for staff roles at various levels, including finding the need to hire employees farther into the range. This can cause pay compression which leads to other issues. Segal is well versed with issues currently being faced by municipalities in this particularly challenging labor market.

Specifically, we understand the scope of this study will include:

- Development of a detailed project plan and timeline, which outlines consultant and City responsibilities, key milestones and deliverables
- Review the competitiveness of the City's pay structure(s) in the public and private sectors in which the City competes for talent
- Evaluate the content of each included job title, to ensure an internally equitable pay grade assignment for each job
- Integrate the market value and internal value of each job into the existing pay structure, considering structure modifications that might better align the structure to the City's compensation objectives, Use market findings to update the pay ranges associated with each pay grade
- Develop plan implementation recommendations to transition covered employees onto the updated pay structure in a manner that aligns with affordability and reflects the City's compensation priorities

Participate in meetings with the Project Team throughout project, and make an initial, update and a final presentation (virtual or in person) to the City Administrator and Common Council or a committee thereof, as needed.

Our proposed work plan for this assignment includes the following steps:

- Step 1: Project Initiation
- Step 2: Job Analysis and Job Evaluation
- Step 3: Salary Market Assessment
- Step 4: Recommendations Development
- Step 5: Present Final Results

We have described each project step in more detail below and on the following pages. We have also provided information for an optional service, which is the *review of your pay-for-performance program, with recommendations for improvement and enhancement.*

Cost Proposal

Segal is fully aware of the sensitivity of budget allocations for public sector employers. We believe that you will find our approach focused toward achieving the City's objectives in the most cost-effective manner consistent with quality, accuracy, and timeliness.

Project Step	Fee Type	Fixed Fee
Step 1: Project Initiation Assumes we will meet via videoconference with the City's Project Team and conduct stakeholder interviews, as well as time associated with learning about the City's current compensation and classification structures, policies, and practices.	Fixed Fee	\$5,000
Step 2: Job Analysis and Job Evaluation Assumes the following: <ul style="list-style-type: none"> • JDQ-based job analysis of 55 jobs covering approximately 200-250 employees • Apply Segal Evaluator™ job evaluation approach 	Bill for actual hours incurred, not to exceed \$65,000	N/A
Step 3: Salary Market Assessment Assumes the following: <ul style="list-style-type: none"> • Develop a customized salary market survey document with up to 55 benchmark job titles, to be distributed to no more than -12 public sector peer employers, as well as the use of up to three (3) published data sources to represent the private sector market • One draft and one final report of the market study findings 		\$50,000
Step 4: Recommendations Development Assumes the following: <ul style="list-style-type: none"> • Assign all job titles to appropriate pay grade within the City's current pay schedule • Suggest modifications to current pay structure, as appropriate • Estimate the cost of implementing the pay grade assignments, as well as one revised estimate based on Project Team's review and revisions 		\$20,000
Step 5: Present Final Results to the City Assumes we develop and deliver one presentation, either on-site or via video conference, to the City		\$5,000

Totals:	
Hourly Charges for Step 2: Job Analysis and Job Evaluation	Hourly Fees Not to Exceed \$65,000
Total Fixed Fee for Steps 1, 3, 4, 5 (Without Optional Services)	\$80,000
Optional Service 1: Review Pay Policies and Recommend Revisions (8 hours)	\$5,000
Optional Service 2: Implementation Assistance	\$5,000
Segal provides up to eight (8) hours of implementation assistance such as on-site management and/or employee presentations, communications documents, training on use of Segal Evaluator system for future use	
Optional Service 3: Review Current Pay-for-Performance Program and Make Recommendations for Improvements and Enhancements (16-20 hours)	\$10,000

The proposed fee includes charges for all professional, analytic, and administrative services, as well as all expenses associated with materials, supplies, overhead, and travel for all tasks outlined in this proposal except as otherwise noted.

Our total fixed fee (Steps 1, 3, 4 and 5) will be invoiced at the end of each month in equal invoices. The Hourly Charges for Step 2 will be billed monthly. Any optional services selected will added to the fixed fee component of the project at contract finalization phase.

Please note: if the information in the census file is inaccurate additional hourly fees may be charged for data correction and preparation.

Travel expenses for meetings scheduled less than one week in advance will be charged additionally. If a scheduled meeting is cancelled by the client, any non-refundable travel expenses will be billed to the client at cost.

Our proposed fee assumes only the services and on-site meetings described in the proposal. Should the City request additional services or additional on-site meetings, we would charge the hourly rates shown below, as well as for the time and expenses associated with travel.

Title/Role	2023 Hourly Rate
Vice President, Client Relationship Manager	\$450
Senior Consultant, Engagement Leader	\$420
Consultant	\$350
Associate Consultant	\$285

Title/Role	2023 Hourly Rate
Senior Associate	\$265
Associate	\$225