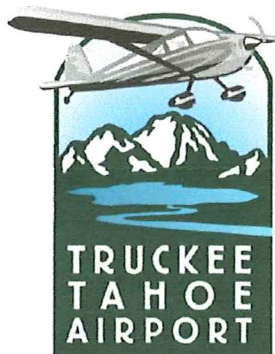


A Proposal to Conduct a

TOTAL COMPENSATION & CLASSIFICATION STUDY

for the



Truckee Tahoe Airport District

Truckee, California

March 2, 2016



Primary contact for this proposal:

Chip King, Regional Director
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Conyers, GA 30094
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Note: In an effort to be environmentally friendly, this proposal has been produced without excess binding, covers, and tabs.



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March 1, 2016

Kevin Smith, General Manager
Truckee Tahoe Airport District
10356 Truckee Airport Road
Truckee, CA 96161

RE: RFP Total Compensation and Classification Study

Dear Kevin:

The Archer Company is pleased to present our proposal to conduct a comprehensive compensation and classification study for the Truckee Tahoe Airport District. We have carefully reviewed your RFP for this engagement and have developed an approach that draws on the extensive public sector classification and compensation experience of our team members. We have presented an overview of the recommended project steps we would take towards the successful completion of this project—I believe you will find them to be a good match with the District's objectives. We believe that this proposal complies with all of the requirements set forth in your request-for-proposals (RFP), to include the deadlines for project completion.

We firmly believe that the Archer Company is uniquely qualified to provide these services to TTAD. The Archer Company is a Limited Liability Company (LLC) that specializes in providing professional, human resources consulting services almost exclusively for the public sector—with that comes vast experience conducting similar studies for both local governments and airport operations nationally. Furthermore, local government compensation constitutes one of our core professional services. We have successfully developed pay plans for numerous local governments, authorities, and utilities, ranging in size from five (5) employees to over fifteen thousand (15,000) employees.

Of course, you know all of that, given that we have successfully completed the last two pay plan updates for the District. You also know that we will work with you to get the job done to your satisfaction and to that of your Board. If awarded this contract, both Jim and I plan to return to Truckee and play an active role in your project. We enjoyed working with you, the Board of Directors, and the staff of TTAD in 2010, and we hope to continue our relationship with the District by working on this project with you.

Thank you for your consideration of our qualifications and proposed scope of work. I welcome the opportunity to discuss this proposal and the many ways we can assist you in your quest to provide effective human resources management for Augusta. Please feel free to call me at (770) 860-8614 if you have any questions. You may also contact Jim Battigaglia at (614) 361-4998.

Sincerely,

Chip King, Regional Director

enclosures
/ck



**CLASSIFICATION & COMPENSATION STUDY
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Section 1

Executive Summary

PROPOSAL OVERVIEW:

The Truckee Tahoe Airport District of Truckee, California (“TTAD” or “the District”) desires to hire a qualified consultant to conduct a total compensation and classification study in order to update its classification and compensation plan. The study, which will cover twenty-four (24) full- and part-time positions, is intended to include a review of internal equity for all positions, a comprehensive survey of total compensation (salaries and benefits), a review of the District’s performance-based review system and related policies pertaining to pay (e.g. ‘top-out’ issues), updated job descriptions, review of FLSA, and the development of recommendations for an updated pay plan that blends all of these elements. The scope of work for this project will be very similar to the previous update successfully completed by the Archer Company for the District in 2010.

This project will be organized as a strategic partnership between the Archer Company, management, and the District’s Steering Committee. The Archer Company expects to work closely with management and the steering committee in order to ensure the success and long-term viability of the pay plan and to facilitate the implementation of our recommendations. We will draw from our extensive experience working with local governments in order to provide management with an objective, unbiased assessment of the District’s competitiveness in the market. All recommendations will be compiled in a report and presented to the District Board of Directors for their approval.

The Archer Company understands that this project is of significant importance to the District. All recommendations made during the study must be supported by objective analysis and valid methodologies in order to promote the credibility of the findings to both management and employees. We recognize that any recommendations developed during this process must be perceived as fair and balanced by the employees represented in the plan. We also understand that communication, perception and buy-in will play a key role in whether the plan will meet with success in this project. A well designed pay plan will achieve a careful balance between internal equity (fairness) and external equity (competitiveness). The study should be done in accordance with generally accepted compensation methods and applicable federal and state laws, utilizing accepted practices in the management and design of compensation systems.

ARCHER COMPANY

The Archer Company specializes in providing professional, human resources consulting services almost exclusively for the public sector—with that comes vast experience conducting similar studies for local governments nationally. Furthermore, local government compensation constitutes one of our core professional services. Our extensive experience in public sector personnel systems and governmental management consulting puts us in a unique position to provide analysis and make recommendations for the District’s pay plan. We have successfully developed pay plans for more than one thousand, five hundred (1,500) local governments, districts, authorities, airports, and utilities, ranging in size from five (5) employees to over fifteen thousand (15,000) employees. Many of our engagements have included airport operations, both stand-alone organizations and those that are part of a local government.



Section 2

Firm Background & Qualifications

About Our Company: *The Archer Company is a leading human resources consulting firm specializing in the development and implementation of compensation and classification systems for local government and public sector organizations.* We have extensive experience and expertise in the areas of job analysis and evaluation, development of classification structures, salary and benefits surveys, market analysis, and job documentation. The Archer Company also specializes in performance management, pay-for-performance programs, skills-based / competency-based pay, career ladders, personnel policies and procedures, and other elements of total compensation. Finally, the Archer Company has considerable experience in management studies, organizational reviews, analysis of operations and staffing, process improvement, training and development, and employee surveys and communication.

The Archer Company, LLC is the flagship of a long established consulting practice that began on the east coast, over thirty years ago and soon spread through nationwide marketing and distribution efforts. Our company was established in 1978 for the sole purpose of providing Federal, State and Local Governments with award-winning, valid and reliable human resource management systems. We are proud of our successes, which have led to a long list of satisfied clients. The Archer Company has been a profitable company in all the years of its existence, which is a testament to the high quality of services we provide and repeat client loyalty.

The Archer Company is a limited liability company wholly owned (100%) by its principals. With headquarters in Rock Hill, South Carolina (a suburb of Charlotte, NC), we staff offices in Atlanta (Georgia), Chicago (Illinois), and Columbus (Ohio), Ohio, with additional staff in California, Colorado, and Virginia.

Primary Project Office: Archer Company (Atlanta), 5342 Wendwood Rd SW, Conyers Georgia 30094
Corporate Address: 454 S. Anderson Road, BTC 556, Rock Hill SC 29730

Primary Contact: Chip King, Regional Director
Office (770)860-8614; chipking@archercompany.com

Classification & Compensation Experience: Since our inception, the Archer Company has performed more than one thousand, five hundred (1,500) classification and compensation studies for union and non-union cities, counties, utilities, airports, school districts, housing authorities, colleges, other public agencies, and private organizations throughout the United States. Our clients range in size from five to over fifteen-thousand employees; project budgets in the past three years have ranged from less than \$10,000 to \$475,000. Our clients utilize our expertise to review and audit their systems, design and development classification and compensation systems (pay plans, performance management, etc.), and/or obtain guidance when navigating unique compensation issues. These clients have contracted for the Archer Company to address innovative, yet practical, compensation methodologies and to develop systems and policies that overcome the problems, or limitations, of traditional compensation systems.

About Our Professionals: It takes experience to maintain the high level of service and to provide the results offered by the Archer Company. We utilize industry best practices in organization design, provided by client service professionals who have actually worked as local government managers and who, as a result of their experience, understand the practical implications of organizational change. We understand the public sector environment, its issues and concerns, the requirements of government leaders, and how to develop an equitable, defensible classification and compensation plan.

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Our professionals have the ability to communicate and interact with employees at all levels of the organization, including Elected Officials, management, professionals, technicians, laborers, and public safety personnel. Team members have extensive knowledge and understanding of the various areas of local government. Thus, we are uniquely qualified and staffed to complete all of the tasks associated with a public sector engagement.

About Our Systems: The Archer Company utilizes a number of proprietary products in its classification and compensation work. They include the Archer Comprehensive Position Questionnaire, the Archer Matrix-Point-Factor Job Evaluation System, the Archer Multi-Dimensional Performance Appraisal System, and the Archer Quality of Work Life Survey. These products are the result of 27 years of research; and all have won an outstanding practitioner award given by the American Society for Personnel Administration (now the Society for Human Resource Management). They were developed and copyrighted by Ernest R. Archer, Ph.D., the President of the Archer Company. Even though they are based upon the complex mathematical relationships required for valid and defensible systems, all of our systems are easily administered and maintained. Because these systems also facilitate change, clients who adopted our systems years ago have been able to maintain sound, reliable human resource programs through their organizations' growth and the many recent changes in computerization capabilities and government service obligations.

Areas of Expertise

- **Compensation and Classification Systems:** total compensation analysis; pay equity and comparable worth; Point-Factor Evaluation Systems; career ladders; and pay plan design
- **Performance Management Systems:** performance appraisal systems; performance-based salary administration; Skills-based Pay; alternative rewards programs; and management/executive compensation.
- **Policies and Procedures:** personnel ordinances and policy manuals; recruiting and hiring guidelines; disciplinary procedures; and employee handbooks.
- **Management Studies:** Operational reviews; staffing analysis; employee satisfaction surveys. Our clients have utilized our expertise in local government and public sector management to help them analyze operations and organizational structures, assess efficiency and effectiveness of service delivery, and determine appropriate staffing levels; these engagements have resulted in enhanced services and improved operations for our public sector clients.

Approximately 98% of our clients are local governments and public sector organizations.

Conclusion: The Archer Company presents a unique combination of experience and expertise unmatched by our competitors. We have worked with a wide variety of public sector organizations in both union and non-union environments in the development of classification and compensation systems. Our clients appreciate our commitment to thoroughness, objectivity and accuracy. We stay with the project and assist with the implementation of the study recommendations by providing the necessary presentations and training to accomplish total understanding and support. We are ideally suited to work and communicate with the individuals or groups that might be affected by our recommendations, to ensure their understanding of the opportunities presented, and to gain their support. Although all systems are designed with the primary focus of equity, competitiveness and ease of administration, each system is developed and tailored to incorporate the specific needs, concerns and philosophies of the client organization.



PROJECT TEAM

With the Archer Company, you get who you see - the team members highlighted in our proposal will be assigned to work on this project for the County. Some firms will sell you on the qualifications of one person, typically the practice director who is on the other side of the country, but then staff the project with inexperienced consultants. With the Archer Company, you will work directly with our team of seasoned consultants who will lend their expertise in local government compensation directly to your project. *The principals of the Archer Company have been working as a team for more than twenty years together.*

We always utilize a team approach in our work to ensure overall consistency for our clients, and we have assembled a team of experienced professionals that we believe will best provide the professional analysis and support needed for this project. The majority of the work on this project will be performed by our staff in Atlanta, with support from personnel in other offices as needed. Brief biographies of our key project consultants are provided below (Analysts will be assigned to support these consultants in accordance with need and availability).

Project Manager: Depending upon availability, we will assign one of our two principal managers—Chip King or Jim Battigaglia—to oversee this project; both Mr. King and Mr. Battigaglia were directly involved in the pay study that we completed for the District in 2010. Mr. Chip King will serve as the primary point of contact for this proposal. Contact information for Mr. King is as follows:

Chip King, Regional Director, Archer Company (Atlanta)
770-860-8614; chipking@archercompany.com

| Proposed Project Staffing | |
|---|---|
| Earnest Archer, President | Quality Control & Project Oversight: Dr. Archer will have ultimate responsibility for the project and quality assurance to our clients; Dr. Archer will provide technical guidance and oversight to all staff. |
| Chip King Jim Battigaglia Regional Director | Project Manager & Client Liaison: Depending upon availability, we will assign either Mr. King or Mr. Battigaglia to serve as the Project Manager and coordinate workflow and project deliverables; the project manager oversees the construction of the pay plan recommendations (job analysis, classification, and evaluation and market analysis) and the work of the project team. <i>Both Mr. King and Mr. Battigaglia will be actively involved with this project, regardless who is assigned the role of project manager.</i> |
| Janice Koch, Consultant Amy Lee, Analyst | Project Team: Team members will be assigned to the project as needed based on skill-set and availability; consultants and analysts play significant roles in the technical components of the work, including market analysis, job analysis and evaluation, employee interviews, documentation; and operational support. The work of these consultants and analysts may be off-site, behind the scenes for this project. |

KEY PERSONNEL

Earnest Archer, Ph.D., P.E., S.P.H.R. • Dr. Archer is the President and Chief Executive Officer of the Archer Company. He has over 35 years of experience in developing classification and compensation systems and other human resource systems, in both the public and the private sectors. Dr. Archer has designed award-winning compensation systems that have received national recognition. He is a member of the Society of Human Resource Management, the American



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Statistical Association, the American Psychological Society, the American Society for Quality Control, the National Society of Professional Engineers, the Institute of Industrial Engineers, the International Personnel Management Association, and other professional associations. Dr. Archer will provide managerial oversight, quality control and technical assistance in all operations and aspects of the study.

Dr. Archer has served as a project director or technical advisor for the development and implementation of compensation systems in over 550 cities and counties across the United States.

Dr. Archer holds a Bachelor of Science degree cum laude from North Georgia (Military) College and State University, a Masters of Business Administration degree from the University of Georgia, and a Ph.D. in Management Science and Managerial Economics from the University of Georgia. He is a registered professional engineer, a behavioral theorist, and a senior professional in human resources management. Dr. Archer has taught at the University of Georgia and is a professor *emeritus* at Winthrop University, where he taught compensation theory, business policy, statistics, and organizational theory and behavior at the senior and graduate level. He has over 40 publications to his credit. His book entitled *Influence and Motivation: A Managerial Perspective* published by Wesley, Cabot, and Keith, is currently being prepared for a second edition printing. His new book, *The Archer System: An Advanced Approach to Pay and Compensation* is being prepared for publication.

Chip King, M.P.A • Regional Director & Project Manager: Mr. King is a Regional Director and one of three principle managers for the Archer Company. With twenty years of management and consulting experience for local government, Mr. King specializes in human resources management, management studies, and general consulting services to local government clients. His extensive experience in public personnel administration, operational analysis, and budgeting and financial management has been utilized in all aspects of project work for the Archer Company, with specialization in the development and implementation of classification and compensation systems, performance management and appraisal systems, and other human resource engagements. Mr. King serves as the principle manager for all projects and client relationships for our local government clients in Georgia and the Southeast.

- **Classification & Compensation Studies:** Mr. King has successfully managed numerous classification and compensation studies nation-wide, resulting in the development of pay plans and compensation strategies for client organizations. Work in this arena includes job/position analysis, job evaluation, salary and benefits surveys, market analysis, job documentation, and development of classification structures and pay plans. The Archer Company retains a large percentage of our clients in the continued maintenance and upkeep of their classification and compensation plans. His recent projects include:
 - **Airports - Independent:** Southwest Regional Airport (RSW), Fort Myers, FL; Metropolitan Knoxville Airport Authority (MCAA), Knoxville, TN; Bluegrass Airport Authority, Lexington, KY; and Truckee Tahoe Airport District (TTAD), Truckee, CA
 - **Airport – Municipally Managed:** Peachtree DeKalb Airport (GA), Charlie Brown Airport (GA), and Cobb County International - McCullom Field (GA); numerous small, general aviation airports
 - Cities of Smyrna, Hapeville, Kennesaw, Canton, East Point, and Albany (GA);
 - Fulton, Cobb, DeKalb, Forsyth, Dawson, and Chatham Counties (GA);
 - City of Charlotte (NC) Police and Fire Departments; and the
 - Cities of Manassas (VA), Myrtle Beach (SC), Newport News (VA), Naples (FL), Raymore (MO), and Reston (VA).
- **Strategic Planning & Development of a Total Compensation Philosophy and Pay Plan:** Mr. King has facilitated strategic planning efforts and studies to help our clients develop a compensation philosophy and framework for integrating their classification plan with total compensation considerations, including comprehensive performance management, career development, and competencies- and skills-based pay.
- **Design & Development of Strategic Classification Strategies:** Mr. King has developed classification strategies in use by our clients Archer Company that are geared toward balancing maximum managerial flexibility and equity in classification for many of the more dynamic and hard-to-classify series, including engineering classifications

TOTAL COMPENSATION & CLASSIFICATION STUDY



(Professional Engineers, Engineering Technicians, and construction management positions in Public Works, Utilities, Transportation, Natural Resources, Community Development, and related departments); construction and maintenance (unskilled and semi-skilled trades workers, equipment operators, and crew supervision); and information systems/technologies.

- **Development of Implementation Strategies:** Mr. King has developed numerous implementation options that have been successful in addressing critical needs of the organizations while working within our clients' constraints. He has assisted numerous clients with problem resolution pertaining to policies and procedures and other organizational considerations. Other areas of proficiency include performance appraisal and pay-for-performance implementation, development and facilitation of training programs for client systems, and application of computer skills and software tools to meet special client needs.

Other Management & Local Government Experience: Mr. King served in County administration as the Executive Assistant to the Chairman and the Board of Commissioners, responsible for managing the daily operations of a rapidly growing suburban County in Metro Atlanta.

Mr. King has a Master's Degree in Public Administration and a Bachelor's of Science in Psychology from Louisiana State University in Baton Rouge, Louisiana. He is a member of World at Work (formerly American Compensation Association) and is pursuing the World at Work's Certified Compensation Professional certification.

James V. Battigaglia, CCP • Regional Director: Mr. Battigaglia is a Regional Director and is based in Columbus, Ohio. Mr. Battigaglia specializes in classification and compensation plan implementations, performance appraisal systems and other human resource engagements. Mr. Battigaglia primarily manages our human resource projects in the Midwest and Northeast. A sample of Mr. Battigaglia's experience is summarized below:

- Served as project manager developing classification and compensation systems at Cuyahoga, Franklin, Geauga, Lucas, Mahoning, Richland, and Wood County, Ohio; Franklin County Common Pleas Court, Municipal Court and Probate Court; Cuyahoga and Franklin County Prosecutor's Office and Public Defender's Office; Beaver, Butler, Cumberland, Mifflin, Monroe, Snyder and Union County, Pennsylvania; City of Elmhurst, Illinois; City of Elgin, Illinois; Village of Glendale Heights, Illinois; Cuyahoga County Board of Health, Ohio; Summit County Board of DD, Ohio; Douglas County, Nevada; Housing Authority of Santa Clara County, California; Regional Income Tax Agency, Ohio; Solid Waste Authority of Central Ohio; Central Ohio Transit Authority; Franklin County ADAMH Board; City of Carmel, Indiana; Cole County, Missouri; City of O'Fallon, Missouri; City of Hazelwood, Missouri; Alameda County, California; The Metropolitan District Commission (CT); Massachusetts Board of Higher Education; First Judicial District of Pennsylvania.
- Provides pay plan maintenance for clients in Ohio, Indiana, Pennsylvania, Wisconsin, Missouri and Massachusetts.
- Analyzed, classified and consolidated classifications of various elected offices into a metropolitan County's central classification plan.
- Participated in classification and compensation development projects at Manassas and Newport News, Virginia; Irvine, California; Chatham, Fulton and Jackson County, Georgia; Roswell, Georgia; Albany, Georgia; and Polk County, Florida.

The majority of these projects included job analysis and evaluation, market analysis, classification structure design, job documentation, pay plan implementation design and pay plan implementation costing analysis.

Prior to the Archer Company, Mr. Battigaglia served as the Director of the MAXIMUS Human Resources and Organizational Development practice. Prior to that, Mr. Battigaglia served as a government consultant for KPMG and as the Director of Accounting for Montgomery County, Ohio.

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Mr. Battigaglia received a Bachelor of Business Administration from Ohio University. He is a member of World at Work (formerly American Compensation Association) and holds the World at Work's Certified Compensation Professional certification.

Janice Koch, M.B.A. •Project Consultant: Ms. Koch supplements our team for many of our projects in California and on the West Coast. She has had more than twenty-two years of experience in local government and the Human Resources field and is qualified as an expert witness for arbitration hearings regarding classification and compensation. Her knowledge in these areas has been applied in the following assignments:

Recent Compensation Studies:

| | | |
|----------------------------|---------------------------------------|-------------------|
| Monterey County | Solano County | City of Lathrop |
| Marin County Public Health | Vallejo Housing Authority | City of Vallejo |
| San Joaquin County | City of Menlo Park | City of Napa |
| Sonoma County | East Bay Municipal Utilities District | City of Benicia |
| City of Oakland | City of San Jose | City of Cupertino |

She has also been employed in the following public agencies:

- Human Resources Analyst for City of Vacaville for which she performed classification studies city-wide.
- Hearing Officer for determination of Classification issues for a mid-sized county.
- Senior Human Resources Analyst for Solano County performing aspects of Human Resources for the Division of Public Health, Mental Health, and Substance Abuse, including Employee Relations, Training, Recruitment, Classification and Compensation, and Labor Negotiations.
- Principal Human Resources Analyst for Town of Corte Madera
- Technical Assistant to the City of Napa in the research and development of hiring and promotional procedures for positions throughout the City.
- Human Resources Analyst for Sacramento County in the Exam Research and Development Unit.

Ms. Koch earned a Masters of Business Administration from California State University at Sacramento. Her B.A. degree is from the University of California at Berkeley. In addition to classification and compensation work, Ms. Koch is experienced in providing staff and supervisor/management training, unemployment hearings, providing supervisor support, fact-finding for negotiations, disciplinary procedures, grievance procedures, and developing personnel policies and procedures.



Section 3

Project Methodology & Plan

PROJECT & RELATIONSHIP MANAGEMENT

Relationship Management: While the Archer Company utilizes a team approach in our work, every client is assigned a senior manager who will manage the project and serve as the primary project liaison to the client. The project manager is expected to devote a significant amount of time to the project and will be hands-on in the development of all recommendations. The workload of all of our consultants is balanced to ensure that they give their full attention to each task at hand and complete deliverables in a timely manner. The team approach ensures that all work receives the scrutiny of a second and usually third set of eyes—even the work of our most experienced consultants is subject to review by the team to ensure the highest quality of service.

Back-up Procedures: The Archer Company is committed to exceptional customer service, which means that our clients should have open communication with and reasonable access to their assigned project manager. Our principals use the latest technology to maintain contact with our clients while in or out of the office—this allows us to communicate and respond to inquiries via cell phone, email, or text messages when traveling. Should the project manager be out of contact for an extended period of time, members of the project team will be available to answer questions and address issues as needed. In extreme cases, a temporary or replacement manager will be assigned subject to the client's approval. If at any time the client is unsatisfied with the level of service they receive, they may contact the President of the company directly for resolution of the problem.

Client Communication and Coordination: The Archer Company is committed to active communication and coordination with the Client's project team and Client management. It is expected that regular communication between management and the Archer Company will help to keep the project on track and ensure a successful outcome.

Involvement from the Client's Human Resources staff and project team: It is our expectation that management desires to be actively involved in the project; however, we also understand that the amount of time they can devote to this project is limited due to other obligations. In order to be sensitive to this, we have developed a turn-key approach that will limit the burden on Client staff. The Archer Company expects to conduct all analyses independently, soliciting input and feedback from Human Resources on design and structure at critical points in the development of the pay plan. We will ask District personnel to assist with scheduling and coordination of meetings and to approve all formats, pay plan elements, recommendations, and draft reports. In this way, we can use the District's staff's time wisely and maximize the utilization of Client resources. While we have designed the scope of work to minimize the burden to Client staff, we welcome more direct involvement from Human Resources and Client management personnel if desired.

- **Project Meetings:** The Archer Company will meet with the project team as appropriate during strategic points of the study in order to seek their input and facilitate their review of key components and deliverables of the study; District Management and Human Resources will be asked to participate in the decision-making and review process.
- **Progress Reports:** The Archer Company will submit progress reports to management throughout the study to apprise management of any issues that arise during the course of the study. Reports will detail specific

accomplishments during the reporting period; account for the completion of tasks pursuant to the provisions of the contract; and provide projected completion dates for remaining project tasks. The progress reports will refer back to the project plan and timeline as agreed to in the initial project planning.

METHODOLOGY / APPROACH

The purpose of this engagement is to conduct a comprehensive classification and compensation study for the purposes of developing recommendations to update the District's pay plan. We will revise and update the pay plan to meet the District's expectations. The overall goals of the study are: (1) to ensure that the District's pay plan is internally fair and equitable and externally competitive; (2) to ensure that employees are properly classified and compensated; (3) develop pay plan recommendations for the District that will achieve the first two goals.

Based on our understanding of the District's compensation needs, the Archer Company is pleased to offer the following project plan to accomplish these objectives. The methodology utilized by the Archer Company is consistent with the methodology employed successfully in all of our engagements of this nature nationally, and is supported by our proprietary job evaluation system. This project is conceived as a multi-task effort—while it is necessary to conduct the phases in the general order presented, there may be overlap in the time frame for each task. All project tasks and deliverables will be scheduled so as to allow for timely completion.

Project Steps

- 1. Project Planning and Kick-off:** Discussions are held with the Client's project team to discuss expectations, gather information, and plan project implementation. The Archer Company will work with the Client's Management staff to obtain clarification regarding the Client's organizational structure, compensation concerns, expectations of study results, and other relevant matters. During this time, we will discuss concerns and objectives regarding the current classification and compensation system, methodology to be utilized in the study (e.g. job analysis, job evaluation, salary survey, etc.), best practices for local government compensation; compensation philosophy, and expectations. We will also seek to solidify our understanding of the Client's compensation philosophy, define the Client's competitive market, and solidify the timeline. The following tasks are expected to take place as part of the kick-off process:
 - **Prepare a Detailed Project Plan:** The Archer Company will finalize a detailed project plan that outlines specific steps and deadlines for project deliverables; this plan will be reviewed with management and revised as necessary to meet the District's objectives.
 - **Review the Current System:** The Archer Company will undertake a review of the District's current system in order to understand and assess the strengths and weaknesses of current pay plan and pay administration practices. We will submit a list of information requested from the Client to facilitate our review of the pay plan.
 - **Compile Information about the District:** The Archer Company will solicit input from department heads and key supervisors about their operations and how the department is impacted by the pay plan and the classification of their subordinates.
 - **Administer Questionnaires:** The Archer Company will meet with management to explain the project's objectives, processes, potential outcomes, and the role that employees will be asked to play during the course of the study. Management will be asked to distribute the questionnaires as necessary to employees using materials supplied by the Archer Company.
 - **Progress Reports:** The Archer Company will submit periodic progress reports to Management throughout the study to apprise management of any issues that arise during the course of the study.



2. **Classification Study (Job Analysis, Classification, and Evaluation):** The Archer Company will establish internal equity for all positions covered by the Client’s pay plan by conducting job analyses, reviewing classification assignments, and evaluating classifications. The purpose of the review is to ensure that positions are properly classified and the job evaluations for each classification (and therefore the pay grades) are consistent with the work performed. This process becomes the foundation of the pay plan’s principle of internal equity.
- **Job Analysis:** A detailed job analysis is performed for every position included in the study in order to ensure that positions are properly allocated within the Client’s pay plan based duties, responsibilities, and qualifications. All employees are asked to complete a Comprehensive Position Questionnaire, which will assist in identifying duties and responsibilities for each position. The Comprehensive Position Questionnaires and information gathered from each department are the primary source of data for this review, but are supplemented heavily by discussions with supervisors and department heads, follow-up questions to employees as necessary, information about the organizational structure, research, and data from outside sources.
 - **Classification of Positions:** The Client’s classifications will be carefully reviewed and analyzed against the information captured in the job analyses. The Archer Company will make recommendations to add, delete, consolidate, or revise classifications as appropriate to ensure that they reflect current operations and position assignments throughout the Client and to eliminate duplication of titles as appropriate.
 - Classifications will be reviewed to ensure that: (1) essential functions are accurate and up-to-date; (2) knowledge, skills, competencies, and abilities are identified; and (3) minimum qualifications (criteria for entrance), physical requirements (ADA), and environmental factors are reflective of the work performed.
 - The structure of the classification system (e.g. the breadth of the scope of assigned duties, number of classifications, job series, title schematics, etc.) will be designed in accordance with the Client’s compensation philosophy, operations, and anticipated pay plan alternatives. The Archer Company will seek input from Management regarding the most appropriate structure for the District.
 - **Job Evaluation:** Because the importance of internal equity in an organization’s pay plan cannot be underestimated—especially for local governments that are under constant scrutiny, the Archer Company recommends the use of a valid and reliable quantitative job evaluation system to objectively measure and determine the relative worth of each classification to the organization.

The Archer Company utilizes the *Archer Matrix Point-Factor Job Evaluation System*, which is a point-factor evaluation matrix that provides a valid and reliable means to measure the relative value of the Client’s classifications and place them into pay grades that reflect the overall level of responsibility, complexity, skills, and other criteria for each job that are critical to the principles of internal equity and fairness. The Archer System it has tested positive against four different measures of validity, three different measures of reliability, and the test of time—our system has proven to be effective for almost three decades of direct application to local government. Using the Archer Job Evaluation System, classifications will be aligned within a job-worth hierarchy and placed into pay grades based on the criteria listed below:

- (1) The degree of critical impact on departmental/Client operations
- (2) Amount of discretion and judgment exercised by the position
- (3) Organizational responsibilities (span of control, etc.)
- (4) Job categories (clerical/administrative, skilled/technical, professional, supervisory/management etc.)
- (5) Knowledge, skills, abilities, and competencies required of the classification
- (6) Minimum qualifications for the class (balance between education and experience with accommodations for professional licenses and certifications)
- (7) The degree of physical effort and personal risk inherent in the job

TRUCKEE TAHOE AIRPORT DISTRICT

The design of the pay grade structure will reflect the desired approach to classification and overall compensation. We will work with Management and Human Resources to ensure that the methodology utilized provides a good fit with the Client's objectives, and we are open to using additional methodologies if necessary.

- **FLSA Classification:** The Archer Company will review the FLSA status of each classification as part of this process and recommend changes as appropriate.
- **Review of Pay Plan Structure:** The review of internal equity will include a review of the Client's classification structure (e.g. the breadth of the scope of assigned duties, number of classifications, title schematics) and the proposed pay plan structure (number of pay grades, width of ranges, use of steps, etc.) to ensure that they support and facilitate the Client's compensation philosophy and operations. The management team will be asked to work directly with the project team and the Archer Company in the review of the draft classification structure.

The Archer Company will present draft reports detailing our preliminary analysis of internal equity to the management team, to include the evaluation of classifications and the classification of positions. All feedback and concerns will be carefully reviewed and addressed prior to finalization of the pay plan recommendations.

3. **Classification Specifications:** The Archer Company will update the District's classification specifications for all classifications identified during the job analysis, classification, and evaluation of positions. Our classification specifications include classification function, essential functions, minimum qualifications, physical requirements (ADA), and all other language required to be legally compliant. Class Specifications will be prepared and delivered in draft form for review by Human Resources and Management prior to finalization of the specs.
4. **Compensation Study (Market Analysis):** The Archer Company will collect and compile salary and benefits data for the Client and analyze the results in order to assess the impact of the Client's competitive market on the pay plan. To the extent possible, we will also solicit information regarding general compensation and pay plan administration practices to aid our analysis. The Archer Company will ask the Steering Committee to approve the list of benchmarks and targeted survey participants prior to survey development. Data collected in the surveys may be supplemented by data from published sources where necessary and appropriate. The data collected will be compiled and submitted to the Client in a comprehensive, easy to read report.
 - A list of benchmarks to be included in the survey will be identified and submitted to the Client for input and approval. Benchmark positions are selected to represent the continuum of the District's classifications, focusing on: (1) positions which are widely recognized as possessing similar job content in most organizations; (2) positions for which the District has had difficulty recruiting and retaining a qualified work force; (3) positions which represent a substantial number of employees; and/or (4) positions which represent the full spectrum of salary grades and ranges in the pay plan. ***Given the relatively small number of classifications in the District's pay plan, we will include all classifications in the survey.***
 - A list of organizations to be included in the market analysis will be identified and submitted to the Client for input and approval. The Client will be asked to approve the final lists of targeted survey participants. Jurisdictions with the following characteristics are typically surveyed: (1) organizations with which the Client competes for employees; (2) organizations which are recognized as important, or influential, in the local market place; (3) organizations which are within proximity to the Client's competitive market (i.e. the same geographic region); and/or (4) organizations with similar population, demographics, and scope of services. ***We understand that the District desires to survey a blend of local governments, special districts, state/regional agencies, and private companies to assess the competitive market for TTAD.***



- The Archer Company will carefully analyze the results in order to assess the Client's position relative to the competitive labor market within which it competes. All data collected will be compiled, tabulated, and edited as appropriate to ensure the accuracy and consistency of match with the selected benchmarks. Salary and benefits data gathered is carefully analyzed to ensure a high level of validity in our findings.
5. **Design and Development of the Pay Plan:** The Archer Company will incorporate our findings from the review of internal equity with the data collected in the market analysis in order to provide recommendations for the District's pay plan. The Archer Company utilizes mathematical regression analysis to integrate the relative worth of classifications (job evaluation points) with the competitive worth of each classification in the competitive labor market (market rates). This produces a pay schedule (a list of pay grades and their respective salary ranges) that can be structured and customized to reflect the organization's compensation philosophy. Thus, the proposed pay plan will be designed to meet both internal equity and competitive needs; it will also reflect the cooperative result of organizational discretion paired with the professional guidance and facilitation of the consultant. Job analysis and evaluation is used to establish the appropriate internal relationship between benchmark classifications and the remaining classifications in order to tie non-benchmark classifications to the plan. The universal design of our system provides for optimal equity across departments and job families; and the open structure of the plan allows for classifications to be added or revised as the District evolves to meet new demands.
 6. **Implementation and Administration:** The Archer Company will work with Management to recommend strategies for implementing the updated pay plan (i.e. transitioning employees to the new pay plan), to include calculation of costs associated with the update if appropriate. The Archer Company will assist the Client in the calculation of implementation costs for the recommended pay plan (i.e. placing employees into their new salary ranges based on their proposed classification and pay grade) if appropriate. The Archer Company will also review and make recommendations regarding performance-based pay and other pay administration policies as appropriate.
 7. **Preparation and Presentation of Reports (Draft and Final):** The Archer Company will compile our findings and recommendations into a report showing a summary and analysis of the results, along with the raw data collected. The report will also include a discussion of any recommendations resulting from our findings. The Archer Company will provide draft reports detailing our findings and discuss the preliminary results with the Client's project team. All feedback from management will be carefully considered and appropriate changes will be made prior to submitting the report in final form. The Archer Company will formally present the findings and recommendations to the governing board if appropriate. All documentation and manuals will be provided to the Client. The final report will be submitted to the Client in both paper and electronic format compatible with popular spreadsheet and word processing program. As a standard practice, the Archer Company provides copies of the survey results to all participants.
 8. **Pay Plan Maintenance:** The Archer Company offers a full selection of services to support the District and assist in the cost-effective maintenance of the pay plan, which are provided on an as-needed basis. These services are geared towards maintaining both the internal equity and competitive integrity of the plan to ensure the longevity of the plan over time, and are structured to provide a level of assistance tailored to meet each client's professional needs and financial considerations. The Archer Company prides itself in our ability to establish and maintain long-term relationships with our classification and compensation clients. This ensures that the pay plan developed for the District will be easy to administer, maintain, and defend. Together, the training and maintenance services provide the Client with multiple options allowing for consistent and equitable upkeep of the plan over time. ***This proposal includes one year of free pay plan maintenance support for the District.***

PROPOSED PROJECT SCHEDULE

The Archer Company can typically begin work within two weeks of notification that we have been awarded a contract. The project timeline will be finalized during the initial meetings with management, and individual tasks will be scheduled as appropriate to complete the study within the agreed upon timeframe. As a general rule, the major components of this study would occur within the following time frames, based on contract award in the first quarter and targeted completion by August 24, 2016:

| Classification & Compensation Study (Full-time Positions) | Months |
|--|---------------|
| TTAD awards contract | March 2016 |
| Project Planning & Review of Current System | April |
| Internal Equity • Job Analysis, Classification, & Evaluation | April |
| Market Survey & Analysis | May - June |
| Development of Recommendations & Implementation | July |
| Write Job Descriptions / Class Specifications | July |
| Draft Report | August |
| Final Report & Presentation | August 2016 |



Section 4

Client References

The Archer Company has developed classification and compensation systems for over one thousand, five hundred cities, counties, utilities, airports, school districts, colleges, libraries, other public agencies, and private organizations throughout the United States. These clients utilized our services to address innovative, yet practical, compensation methodologies and to develop systems and policies that overcome the problems, or limitations, of traditional compensation systems.

The Archer Company has an extensive list of public sector clients nationally, which includes numerous long-term relationships with maintenance clients. The organizational references listed below represent recently completed projects.

Select References:

Truckee Tahoe Airport District (TTAD), California

Contact: Kevin Smith, General Manager • (530) 587-4119; kevin.smith@truckeetahoeairport.com

Contact: Tom Van Berkem, Board Member; tom.vanberkem@truckeetahoeairport.com

The Archer Company has worked successfully with the District on two previous occasions to update its pay plan, the most recent taking place in 2010. We believe that both Mr. Smith and Mr. Van Berkem can attest to the quality of the work and our partnership with the District.

Southwest Regional Airport (Lee County Airport Authority), Florida

Contact: Pat Van Domelen, Human Resources Director • (239) 590-4537; pfvandomelen@flylcpa.com

Metropolitan Knoxville Airport Authority

Contact: Alan Jones, Human Resources Director • (865) 342-3062; alan.jones@tys.org

District of Smyrna, Georgia

Contact: Kay Bolick, Human Resources Director • (770) 319-5333; kbolick@ci.smyrna.ga.us

District of Myrtle Beach, South Carolina

Contact: Connie Rutledge, Assistant Human Resources Director • (843) 918-1129

DeKalb County, Georgia

Contact: Benita Ransom, Director of Human Resources • (404) 687-3588; bcransom@dekalbcountyga.gov

Section 5

Cost of Services

The following not-to-exceed proposal fees are prepared for the District based on the proposed *Scope of Work*. Fees provide a breakdown by component and include all travel, per diem, photocopying, or other incidental expenses. Costs assume the inclusion of approximately twenty-four (24) positions. This cost proposal is valid for 90 days from the date on the proposal.

| Option 1: Comprehensive Classification & Compensation Study | Cost |
|---|-----------------|
| Project Planning & Kick-off | \$1,260 |
| Classification Study • Job Analysis, Classification, & Evaluation | \$4,820 |
| Compensation Study • Market Survey & Analysis | \$5,250 |
| Development of Recommendations & Implementation | \$1,920 |
| Final Report & Presentation & Classification Specifications | \$1,560 |
| Classification & Compensation Study Total | \$14,810 |

**Free maintenance support for one year after completion of the study!*

A Proposal to Conduct a

TOTAL COMPENSATION & CLASSIFICATION STUDY

for the



Truckee Tahoe Airport District

Truckee, California

March 2, 2016



Primary contact for this proposal:

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Conyers, GA 30094
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chipking@archercompany.com

