

**GREATER ORLANDO AVIATION AUTHORITY**  
**REVISED AGENDA**

DATE: WEDNESDAY, AUGUST 21, 2024

TIME: 2:00 P.M.

PLACE: CARL T. LANGFORD BOARD ROOM, ORLANDO INTERNATIONAL AIRPORT, ONE JEFF FUQUA BOULEVARD

*For individuals who conduct lobbying activities with Aviation Authority employees or Board members, registration with the Aviation Authority is required each year prior to conducting any lobbying activities. A statement of expenditures incurred in connection with those lobbying instances should also be filed prior to April 1 of each year for the preceding year. Lobbying any Aviation Authority Staff who are members of any committee responsible for ranking Proposals, Letters of Interest, Statements of Qualifications or Bids and thereafter forwarding those recommendations to the Board and/or Board Members is prohibited from the time that a Request for Proposals, Request for Letters of Interests, Request for Qualifications or Request for Bids is released to the time that the Board makes an award. The lobbyist shall file a Notice of Lobbying (Form 4) detailing each instance of lobbying to the Aviation Authority within 7 calendar days of such lobbying. Lobbyists will also provide a notice to the Aviation Authority when meeting with the Mayor of the City of Orlando or the Mayor of Orange County at their offices. The policy, forms, and instructions are available on the Aviation Authority's offices web site. Please contact the Chief Administrative Officer with questions at (407) 825-7105.*

**I. CALL TO ORDER**

**II. INVOCATION**

**III. PLEDGE OF ALLEGIANCE**

**IV. ROLL CALL**

**V. CONSIDERATION OF AVIATION AUTHORITY MINUTES FOR JUNE 19, 2024**

**VI. SERVICE RECOGNITIONS**

**VII. CHAIRMAN'S REPORT**

**VIII. CHIEF EXECUTIVE OFFICER'S REPORT**

**IX. BOARD PRESENTATIONS**

**X. CONSENT AGENDA**

(These items are considered routine and will be acted upon by the Aviation Authority in one motion. If discussion is requested on an item, it will be considered separately. Items under this section are less than \$1,000,000 dollars)

- A. Recommendation to Accept Aviation Authority Committee Minutes
- B. Recommendation of the Construction Committee to the Aviation Authority Board for Approval of Change Order(s) to Various Construction Contracts
- C. Recommendation of the Construction Committee to Approve No-Cost Addenda to the Continuing Vertical Construction Services Agreements to Exercise the First One-Year Renewal Option
- D. Recommendation of the Construction Committee to Approve a No-Cost Addendum to the Land Development, Land Planning and Land Management Consulting Services Agreement with Dykes Everett & Company, LLC to Exercise the Second and Final One-Year Renewal Option
- E. Recommendation of the Construction Committee to Approve Multiple Addenda to the Continuing Program and Project Management Services Agreement with Cost Management, Inc. dba CMI (CMI)
- F. Recommendation of the Procurement Committee to Approve Multiple Addenda to the General Consulting Services Agreement with Ricondo & Associates, Inc. (Ricondo) at the Orlando International Airport (MCO)
- G. Recommendation of the Procurement Committee to Approve Amendment No. 1, the First Renewal Option for Purchasing Contract 01-22 Tile, Marble and Limestone Repair and Replacement Services with Designers West Interiors Inc.
- H. Recommendation of the Procurement Committee to Approve the Award Other Entity Contract 24-758-OEC for five Chevy Silverados, four GMC Sierras, four Ford Mavericks, and three Ford Explorers from Alan Jay Ford/Chevrolet utilizing Sourcwell Contracts 060920-NAF and 091521-NAF
- I. Recommendation of the Procurement Committee to Approve Amendment No. 2, the First Renewal Option for Purchasing Contract 09- 21, Satellite Buildings Janitorial Maintenance with Sterling Building Services, Inc.

NOTE: Any person who desires to appeal any decision made at these meetings will need record of the proceedings and for that purpose may need to ensure that a verbatim record of the proceedings is made which includes the testimony and evidence upon which the appeal is to be based.

**GREATER ORLANDO AVIATION AUTHORITY  
AGENDA FOR ITS AUGUST 21, 2024 MEETING  
PAGE 2 REVISED**

**X. CONSENT AGENDA (Cont'd)**


- J. Recommendation of the Procurement Committee to Approve Amendment 2, Increase in Value for Purchasing Contract 21-21, Daikin/McQuay Chiller Maintenance Services with Daikin Applied Americas, Inc.
- K. Recommendation of the Procurement Committee to Approve Amendment No. 2, the Second Renewal Option of Purchasing Contract 23-20, Specialized Commercial Cleaning Services with Florida Cleaning Systems, Inc.
- L. Recommendation of the Procurement Committee to Award Invitation for Bid 24-466-IFB Lift Station Preventative Maintenance Services to Central Florida Pump
- M. Recommendation of the Procurement Committee to Award Other Entity Contract (OEC) 24-765-OEC for One Aircraft Rescue and Fire Fighting (ARFF) Rescue Vehicle from Matheny Motor Truck Co. d/b/a Matheny Fire & Emergency, utilizing the Florida Sheriffs Association Contract #FSA23-VEF17.0
- N. Recommendation of the Procurement Committee to Approve Amendment No. 3, Three-Month Extension to Purchasing Contract 18-18, Vehicle and Equipment Maintenance Services with Transdev Services, Inc. formally known as First Vehicle Services, Inc. (Transdev)
- O. Recommendation of the Construction Finance Oversight Committee (CFOC) to Approve Funding Action(s) to Various Contracts
- P. Recommendation of the Procurement Committee to Approve Amendment No. 1, Contract Adjustment, for Procurement Agreement PS-713 Concessions Consulting Services Agreement with AirProjects, Inc.
- Q. Recommendation to Approve Revisions to Organizational Policy 120.08, Retirement Benefits Committee
- R. Recommendation to Approve Revisions to Organizational Policy 203.02, Vacation Leave
- S. Recommendation to Approve Revisions to Organizational Policy 203.03, Sick Leave
- T. Recommendation to Approve Amendments to Operational Policy 110.04, Appeals Process
- U. Recommendation to Amend Organizational Policy Section 450.10, Procurement Card Operational Procedure
- V. Recommendation to Approve Delegation of Authority to the Chief Financial Officer to Approve Budget Transfers in Excess of \$250,000 through September 30, 2024
- W. Recommendation to Accept Public Transportation Grant Agreements (PTGA) for Orlando International Airport (MCO) from the Florida Department of Transportation (FDOT)
- X. Recommendation to Accept Public Transportation Grant Agreements (PTGA) for Orlando Executive Airport (ORL) from the Florida Department of Transportation (FDOT)
- Y. Recommendation of the Ad Hoc Committee to Award Request for Proposals 24-396, Legal Services for Infrastructure and Construction
- Z. Recommendation of the Ad Hoc Committee to Award Request for Proposals 24-395, Legal Services for Procurement Services Department
- AA. Recommendation of the Procurement Committee to Approve Amendment No. 3, One Month Extension to Purchasing Contract 19-20, Customer Service Ambassadors Services with Real Time Services d/b/a Top Talent Staffing (Top Talent)

**XI. NEW BUSINESS**

(Consistent with GOAA Policy 450.04, contracts in excess of \$1,000,000 are listed under this section as separate line items)




- A. Recommendation of the Construction Committee to Approve an Addendum to the General Consulting Services Agreement with Ricondo & Associates, Inc. (Ricondo) for Professional Services in support of Project W-00525, MCO Airport Master Plan Update at the Orlando International Airport (MCO)
- B. Recommendation of the Procurement Committee to Approve an Addendum to the Continuing On-Call Architecture and Engineering Consulting Services with Kimley-Horn and Associates, Inc. (KHA) for East Airfield Site Development Planning Services at the Orlando International Airport (MCO)
- C. Recommendation of the Procurement Committee to Award Invitation for Bid 24-123-IFB Aquatic Weed Control Services to Bio-Tech Consulting, LLC
- D. Recommendation to Approve the Maintenance Facility Lease Agreement with Enterprise Leasing Company of Orlando, LLC (Enterprise) at Orlando International Airport (MCO)
- E. Recommendation to Approve Amendment No. 5 to U.S. Government Lease for Real Property with the United States of America for a U.S. Department of Agriculture (USDA) at Orlando International Airport
- F. Recommendation to Approve an Other Transaction Agreement (OTA) with the Department of Homeland Security, Transportation Security Administration (TSA), at Orlando International Airport (MCO)
- G. Recommendation of the Procurement Committee to Award Invitation for Bid 24-162-2-IFB Fire Sprinkler System Maintenance Services to Sciens Orlando, LLC
- H. Recommendation of the Procurement Committee to Award Invitation for Bid 24-320-IFB, Pest Control Services to Home Paramount Pest Control
- I. Recommendation of the Procurement Committee to Award Invitation for Bid 24-515-IFB Landscape Maintenance Services for the Air Operations Area (AOA) to P & L Lawn Maintenance and Irrigation, Inc.
- J. Recommendation of the Procurement Committee to Award Request for Proposals 24-163-RFP, Customer Service Ambassadors at Orlando International Airport as follows: Location One: Terminals A & B to ABM Aviation, Inc.; Location Two: Terminal C and Train Station to VIP Hospitality LLC

**XI. NEW BUSINESS (Cont'd)**

- K. Recommendation to Approve Amendment 4 to the Duty Free/Duty Paid Concession Agreement with DFASS Group (Orlando), LLC
- L. Recommendation to Approve Benefit Plan Renewals for Active and Retired Employees
- M. Recommendation to Approve the Contract Value for Professional Services Agreement 24-106-RFP Auditing Services
- N. Recommendation to Approve the Sixth Amended and Restated Resolution Authorizing Collection of a Customer Facility Charge at Orlando International Airport
-  O. ~~Recommendation to Approve the Third Amended and Restated Resolution Relating to Airline Rates and Charges and Airline Operating Terms and Conditions for the Use of Facilities and Services at Orlando International Airport, and Various Airline Rate Documents Described Herein~~
- P. Recommendation for Preliminary Approval of Fiscal Year 2025 Aviation Authority Budget


**XII. PROCUREMENTS**

(Notification for release of documents for different services at the Aviation Authority in excess of \$500,000)

- A. Request for Statement of Qualifications, Continuing Signage Construction Services (W515)
- B. Request for Proposals, Autonomous Vehicle Services
-  C. Request for Proposals, Driver Training Simulator Services
-  D. Request for Proposals, Legal Counsel – Finance Department
-  E. Request for Proposals, General Counsel Services

**XIII. INFORMATION SECTION**

(No action is required on the item(s). Board members should feel free to ask questions on the item(s).)

- A. Notification of Committee Recommendations to the Chief Executive Officer for Approval at the August 21, 2024, Aviation Authority Board Meeting
- B. Notification of Release of RFP/RFB/RFQ/IFB
-  C. Aviation Authority Compensation Study
- D. Construction Report



**MEMORANDUM**

TO: Members of the Aviation Authority  
FROM: Kevin J. Thibault, P.E., Chief Executive Officer  
DATE: August 21, 2024

**TYPE OF RELEASE**

Request for Proposals

**SERVICE/TYPE**

Specialty Legal Services for the Finance Department

**RELEASE DATE**

September 2024

**COMMITTEE AND DATE**

Ad Hoc Committee December 2024

**AWARD DATE**

February 2025

**SCOPE/SERVICES**

Specialty Legal Counsel will perform legal services as described in detail in the Requests for Proposals and Scope of Services. Finance Department Counsel will support the Finance Department's efforts, including negotiations with air carriers, public entity finance, and will support the Finance Committee.

**SMALL BUSINESS PARTICIPATION**

No Small Business participation due to the specialized nature of the services provided.

**VALUE/TERM**

Hourly Rate – Vary  
5 Year Term

**INCUMBENT**

Nelson Mullins Riley and Scarborough LLP



**MEMORANDUM**

TO: Members of the Aviation Authority  
FROM: Kevin J. Thibault, P.E., Chief Executive Officer  
DATE: August 21, 2024

**TYPE OF RELEASE**

Request for Proposals

**SERVICE/TYPE**

General Counsel Services

**RELEASE DATE**

September 2024

**COMMITTEE AND DATE**

Ad Hoc Committee December 2024

**AWARD DATE**

February 2025

**SCOPE/SERVICES**

The firm selected will be required to perform the following services: a) provide advice and recommendations to the Aviation Authority and its Board regarding compliance with Florida's Sunshine and Public Records laws; b) oversee the assignment of all legal matters to all outside counsel; c) attend and provide advice and counsel as requested at the Aviation Authority's Board meetings, including as to matters of parliamentary procedure; d) attend as requested or as necessary and provide oversight and coordination of the Aviation Authority's committee meetings including meetings regarding establishing and reviewing Board meeting agendas and reviewing input and updates from outside counsel on legal matters; e) oversight of and recommendations related to claims and litigation involving the Aviation Authority or as to which the Aviation Authority is or is expected to be a party, but not including litigation active or pending prior to the commencement of this engagement; f) undertake special projects and strategic initiatives as requested by the Aviation Authority; and g) any other matters and issues that may arise from time to time, as assigned by the Aviation Authority.

**SMALL BUSINESS PARTICIPATION**

No Small Business participation due to the specialized nature of the services provided.

**VALUE/TERM**

Hourly Rate – Vary  
5 Year Term

**INCUMBENT**

Rumberger Kirk and Caldwell, P.A.



## **MEMORANDUM**

TO: Members of the Aviation Authority

FROM: Kevin J. Thibault, P.E., Chief Executive Officer

DATE: August 21, 2024

## **ITEM DESCRIPTION**

Aviation Authority Compensation Study

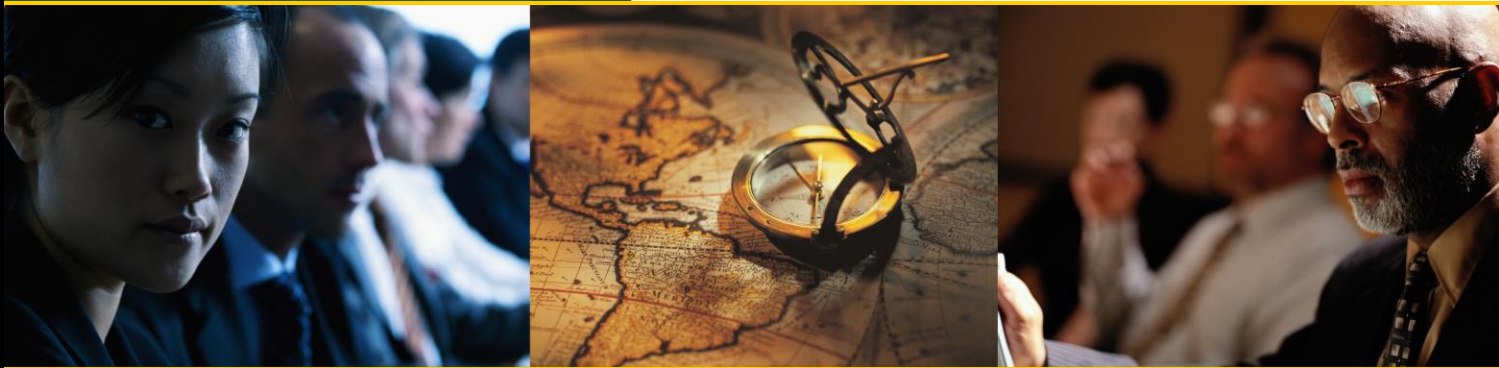
## **BACKGROUND**

In line with its dedication to attracting and retaining top talent, the leadership of Aviation Authority recognized the need to update its compensation and classification systems to align with best practices. To achieve this objective, the Aviation Authority partnered with Evergreen Solutions, LLC in August 2023. The collaboration aimed to evaluate the strengths and weaknesses of current systems, conduct a comprehensive job and pay grade analysis to ensure internal fairness, gather peer salary data for external benchmarking, and refine the compensation and classification structures to better match market standards. Through this initiative, Aviation Authority leadership gained invaluable insights into employee demographics, sentiments, and market trends, enhancing their understanding of both internal and external equity considerations.

Attached for your information is the executive summary ~~and~~ The full report of the compensation study results is available upon request. Recommended actions related to the compensation study will be presented to the Aviation Authority Board for approval at a later date.

# Compensation and Classification Study for the Greater Orlando Aviation Authority, FL

## EXECUTIVE SUMMARY



Evergreen Solutions, LLC  
April 23, 2024



## Compensation and Classification Study for Greater Orlando Aviation Authority

### EXECUTIVE SUMMARY

#### SECTION 1 - INTRODUCTION AND METHODOLOGY

##### 1.1 INTRODUCTION

In line with its dedication to attracting and retaining top talent, the leadership of Greater Orlando Aviation Authority (the “Organization”) recognized the need to update its compensation and classification systems to align with best practices. To achieve this objective, the Organization partnered with Evergreen Solutions, LLC (“Evergreen”) in August 2023. The collaboration aimed to evaluate the strengths and weaknesses of current systems, conduct a comprehensive job and pay grade analysis to ensure internal fairness, gather peer salary data for external benchmarking, and refine the compensation and classification structures to better match market standards. Through this initiative, Organization leadership gained invaluable insights into employee demographics, sentiments, and market trends, enhancing their understanding of both internal and external equity considerations.

##### 1.1 STUDY METHODOLOGY

Evergreen Solutions combines internal and external data analysis with strong emphasis on quantitative and qualitative results to produce recommendations that maximize equity, competitiveness, efficiency and effectiveness of an organization’s compensation structure and practices. Project activities included:

- Conducting a project kick-off meeting
- Presenting orientation sessions to employees
- Facilitating focus group sessions with employees
- Conducting an external market salary survey
- Developing recommendations for compensation management
- Revising classification descriptions based on employee JAT feedback
- Developing recommendations for compensation and classification changes
- Creating draft and final reports
- Conducting training sessions with human resources staff in the methodology used to systematically assess job classifications

##### 1.2 REPORT ORGANIZATION

This report includes Sections 1-5 (Introduction and Methodology, Summary of Employee Outreach, Assessment of Current Conditions, Market Summary, and Recommendations)



## SECTION 2 – SUMMARY OF EMPLOYEE OUTREACH

### 2.1 KICKOFF MEETING

The kickoff meeting provided an opportunity to discuss the history of the Aviation Authority, finalize the work plan, and begin the data collection process. Data collection included the gathering of relevant background material including existing pay plans, organization charts, policies, procedures, job descriptions, a comprehensive employee database, training materials, and other pertinent materials.

### 2.2 EMPLOYEE OUTREACH

During orientation and focus group sessions, Evergreen gathered feedback from the organization's employees to assess their overall perceptions of the current compensation and classification systems. Additionally, Evergreen compiled specific concerns voiced by employees during these sessions, capturing their insights on desired modifications and potential enhancements for the future. The sessions were also designed to address any questions raised by employees, aiming to clarify misunderstandings about the study and its associated tasks.

Between November 6-8, 2023, Evergreen consultants facilitated orientation sessions and focus groups for the Greater Orlando Aviation Authority. This research initiative comprised a comprehensive series of 19 sessions, engaging with approximately 150 participants across the organization. The orientation sessions aimed to familiarize employees with the study's objectives and the various ways they could contribute. Meanwhile, the focus groups were designed to elicit candid feedback from employees on topics related to compensation and classification. The following observations provide a generalized summary of opinions, recurring themes, and emerging trends expressed by participants in focus groups or through direct feedback to Evergreen. Personal identifiers have been removed from the information. It is essential to recognize that the perspectives shared in this summary are subjective and may not necessarily reflect the actual conditions within the Organization.

Comments are separated into four categories (General Feedback, Compensation, Market Peers, and Summary).

#### General Feedback

The primary focus of this study is to address the organization's compensation and classification structures. It is also important to understand how employees currently view employment within the organization. As a result, general feedback was sourced from employees on what attracted them to seek employment with the Organization, and what were the primary factors that led to their continued employment. The comments described in this section reflect the factors that incentivize prospective applicants to pursue employment with the Organization and reflect the reasons employees continue working for the Organization. These elements are important to highlight, as compensation, while an important factor, is often not the sole determinant for where employees choose to work. The responses varied



from the overall benefits, the location, to atmosphere and work environment. Additional comments expressed by employees include:

- Job Stability – Employees value the stability and security offered by the organization, citing it as a key factor for job satisfaction.
- Unique Challenges– Some employees appreciated the unique challenges and dynamic nature of their roles, which provided a stimulating work environment.
- Career Opportunities– The potential for growth and career development within the organization was a positive aspect for several employees.
- Organizational Culture– The culture of the organization, including aspects like camaraderie among colleagues, was mentioned positively.
- Training Opportunities – Opportunities for professional development and training were seen as beneficial aspects to their roles.
- Benefits and Retirement Plans – The benefits package, including retirement plans, was considered favorable by some employees. Overall, personnel revealed that the aviation authority is a wonderful and unique place to work with a number of distinct advantages in place for employees.

#### Compensation and Classification

Feedback on compensation and classification was obtained from employees. Employees were encouraged to identify any concerns, challenges, or limitations observed with how the Organization currently compensates and classifies its positions. The perceptions of employees mentioned do not necessarily reflect or align with the data collected in the market survey, found in Chapter 4.

Feedback shared by employees related to compensation practices is provided in the following:

- External Equity – Comparisons were made with external market rates, with employees noting that their compensation was not competitive with similar positions in other major airports or aviation authorities, or industries. This was a point of dissatisfaction, when considering the scope and demands of their roles, as well as the nature of the work schedules in this specific industry.
- Internal Equity – Employees expressed concerns about inconsistencies and perceived inequities within the organization, particularly regarding how job classifications and reclassifications have or are being managed. Across various focus groups at Greater Orlando Aviation Authority, employees highlighted salary compression issues, particularly noting that newly promoted supervisors often earned comparably or less than their direct reports due to pay structure and promotion policies. Concerns were raised about new hires, especially less tenured employees, being offered higher salaries than veteran incumbents, where the recent minimum wage increase led to new employees starting at higher salaries than existing, experienced staff, without



corresponding adjustments for veterans. Overall, these factors contributed to perceptions of inequity and unfairness in the organization's approach to compensation and internal equity.

- Turnover – Employees highlighted difficulties in recruiting and retaining staff, and indicated this is attributed to non-competitive salaries and lack of career progression opportunities in some departments. Specific positions identified as having high turnover are highlighted in Chapter 2 of this Report.
- Inconsistency in Raises - Concerns were raised about the uniformity of raises, with suggestions for merit-based increases rather than across-the-board raises.
- Classification and Pay Levels - Discrepancies in how job classifications and pay levels were managed and perceived unfairness in the administration of reclassifications were highlighted.
- Benefits (perceived strengths) – Some employees spoke glowingly about their benefits packages. Specifically, employees love the retirement plan for its long-term benefits. They also expressed content with the health insurance coverage for its wide range of health needs.
- Benefits (perceived weaknesses) – Employees expressed concerns about the inadequacy of maternity leave provisions, changes in pension benefits, and inequity in benefits administration.

### Market Peers

Focus group participants provided the names of organizations they considered to be both local and regional market peers for compensation and classification. The list of names generated by the participants is located in Chapter 2 of the Report.

### Summary

The feedback received by Evergreen Solutions provided a solid foundation for the development of recommendations for the Organization. The willingness of employees to contribute to this dialogue was evident in the number of employees that provided several observations to potential compensation and classification strengths/weaknesses in the Organization. These comments were verified and taken into consideration when identifying challenges and formulating the study recommendations. Employees were praiseworthy of the Organization and the collective positive efforts but were equally candid about potential problems commonly found in large cities across the country.



## SECTION 3 – ASSESSMENT OF CURRENT CONDITIONS

This section provides a statistical analysis of the Organization's compensation and classification system at the start of this study. The assessment is divided into areas (Analysis of Pay Plans, Grade Placement, Quartile, Compression, and Summary)—refer to Chapter 3 of this Report for greater analysis details):

### Analysis of Pay Plans

The Aviation Authority's pay plan includes 44 occupied pay grades that hold 869 employees. The pay range spreads fall between 40.8 percent and 140 percent. Pay grades FA2, FM1, FM2, and E4 only have one employee, while pay grade L11 contains the most employees with 88.

### Grade Placement Analysis

The analysis indicates that 11 percent (98 total) of all employees are compensated at their pay grade's minimum. A smaller percentage of employees, 5 percent (45 total), are compensated at their pay grade's maximum.

In addition to assessing the number of employees at minimum and maximum, an analysis was conducted to determine the number of employees below and above pay grade midpoint. The percentages refer to the percentage of employees in each pay grade that are above and below midpoint. The results show a total of 690 employees are compensated below their pay grade midpoint which is 79.4 percent of all employees for the Organization. There are 174 employees compensated above the midpoint of their pay grade, which is 20 percent of all employees.

### Quartile Analysis

The last part of the Grade Placement Analysis is a detailed look at how salaries are distributed through pay grades, through a quartile analysis divided into four segments (first quartile at 25 percent, second quartile up to the midpoint, the third quartile from the midpoint to 75 percent, and the fourth above the third up to the maximum of the range). Employees are assigned to a quartile within their pay range based on their current salary.

Overall, data shows that 52.7 percent of employees fall into Quartile 1 of their respective grade; 26.9 percent fall into Quartile 2; 13.7 percent fall into Quartile 3; and 6.7 percent fall into Quartile 4. While this distribution does not lead to a conclusion, data for average tenure do lead to determinations on the relationship between tenure and salary. Specifically, overall average tenure increases as the quartile increases between Quartiles 1 and 3; the average tenure in Quartile 1 is 4.5 years; in Quartile 2 is 11.2 years; and in Quartile 3 is 18.0 years. There is a shift in the average tenure between Quartile 3 and Quartile 4, with the tenure decreasing to 10.0 years. This may be due to the high number of employees in low grades that may have been recently hired or promoted. The overall trend would seem to indicate that employees are moved through their pay grades equitably, or at the very least a positive linear relationship.



## Compression Analysis

Pay compression can be defined as the lack of variation in salaries between employees with significantly different levels of experience and responsibility. Compression can be seen as a threat to internal equity and morale. Two common types of pay compression can be observed when the pay of supervisors and their subordinates are too close, or the pay of highly tenured staff and newly hired employees in the same job are too similar.

The data analysis reveals that while most positions in the Organization are in a great position, with plenty of space between employee and supervisor salaries, there are still some employees with salaries more than 100 percent of their supervisor's salary.

The analysis further shows that 60 percent of the Organizations employees (521 Incumbents) are being paid wages that are close to what they are projected to receive based on their class years. While approximately 28 percent (246 Incumbents), are being compensated at more than 10 Percent of where they are projected to be. While this is clearly good for employees, it is not necessarily bad for the Organization. When considering those incumbents who are at more than 10 percent of their projected compensation, this can be due to a number of reasons. This includes the possibility that the organization is overpaying those employees or that pay grades are too low, forcing the Organization to advance employees more quickly through pay grades to keep competitive with the market. However, it could just as easily be another indicator of employee promotion and advancement through the ranks.

## Summary

There were many observations made with respect to the Organization's compensation system in place at the beginning of the study. Only a few are mentioned in the aspect of the Report.

- The Organization's six plans have range spreads varying from 41 percent up to 140 percent. Range spreads, generally recommended to be between 50-70 percent, vary across several grades and pay plans.
- Most employees are paid their projected salary or more than their projected salary, based on a 30-year progression plan.
- More than half of employees are paid below their pay grade midpoint.
- More than half of employees (52.7 percent) are in Quartile 1 of their pay grade. This can indicate a workforce with a high turnover or that has recently expanded with many new hires. Further analysis is required to determine the cause of this imbalance.
- Most of the Organizations employees are paid less than 80.0 percent of their supervisors' salaries. This is a good indication that there are not widespread salary compression issues between employees and their supervisors.

This analysis acts as a starting point for the development of recommendations for this Report.





## SECTION 4 – MARKET SUMMARY

### OVERVIEW OF MARKET METHODOLOGY

The market summary section benchmarks the Aviation Authority's compensation practices against those of its market peers to establish how competitive the Organization is for employees within its market. Evergreen compared pay ranges of select Organization benchmark positions against the compensation of positions performing those same duties within peer organizations. By aggregating the differences in pay ranges across all the positions, a reasonable determination is made as to the Organization's competitive position within the market.

Individual salaries are not analyzed in this methodology, since individual compensation can be affected by several variables such as experience and performance. Evergreen looked at average pay ranges across the entire classification to make the most accurate comparison. The results of this market study should be considered reflective of the current state of the market at the time of this study as conditions can change rapidly. The market results detailed in this section provide a foundation for understanding the Aviation Authority's overall structural standing to the market, and the rates reflected in Chapter 4, while a key factor, are not the sole determinant for how classifications were placed into the proposed salary ranges outlined in Chapter 6.

Evergreen conducted a comprehensive market salary survey for the Aviation Authority, which included soliciting 38 target peer organizations (Two Unions, 24 Airports/Aviation Authorities, three Counties, two Cities, one State, two private organizations, one Federal organization, and three fire organizations) for a total of 118 benchmark positions. Of the 38 total organizations contacted, 31 responded and provided data for the benchmark positions. Target peers were selected based on a number of factors, including geographic proximity, resource level, job overlap, and size. Target organizations were also identified for their competitiveness to the Organization for employee recruitment and retention efforts. The list of targets that provided data for the purpose of this study is included in Chapter 4, Exhibit 4A.

Since the data collected for the market summary was from various regions of the United States, it was necessary to adjust peer responses relative to the Organization based on cost of living. For all organizations that fell outside the Organization's immediate region, a cost-of-living adjustment was applied to the reported pay ranges to ensure the market average was attained for the spending power an employee would have in the Organization. Evergreen utilizes cost of living index information from the Council for Community and Economic Research, and the scale is based on the national average cost of living being set at 100. The cost-of-living index figures for the Organization and each of the respondent market peers are located in Chapter 4, Exhibit 4B. It is important to note the cost-of-living index used was based on the county and not each Organization.

### MARKET DATA RESULTS

The results of the market study are displayed in Chapter 4, Exhibit 4C, which includes the benchmark job titles and the market average salaries for each position at the minimum,



midpoint, and maximum points of the pay ranges. Also included within the exhibit are the percentage differentials of the Organization's pay ranges at each respective point, relative to the market average pay. A positive percent differential is indicative of the Organization's pay range exceeding that of the average of its market peers; alternatively, a negative percent differential indicates the Organization's compensation for a given position lagging behind the average of its peers. For those classifications where no differential is shown, this is due to the Organization not possessing a pay range for comparison to the market. The exhibit also includes the average pay range for the market respondents for each position, as well as how many responses each benchmark received.

The standing of individual classifications pay range relative to the market should not be considered a definitive assessment of actual employee salaries being similarly above or below the market; however, such differentials can, in part, explain symptomatic issues with recruitment and retention of employees.

#### Summary Points for Each Category (Minimum, Midpoint, Maximum Pay Range):

- The Organization's pay ranges are approximately 5.8 percent and 2.8 percent above the market minimum when considering general staff and fire respectively.
- The Organization's pay ranges are approximately 4.1 percent and 4.3 percent above the market midpoint when considering general staff and fire respectively.
- The Organization's pay ranges are approximately 2.7 percent and 3.1 percent above the market maximum when considering general staff and fire respectively.
- The Organization's pay range spread is approximately 63.9 percent, while its peers' pay range spread is 69.5 percent. That means that the Organization's salary scale is slightly narrower than its peers.
- When considering the Organization's ARFF, the average range spread is 51.5 percent, while its peers pay range spread is 52 percent.
- When considering ARFF, the Organization's pay plan has more steps on average than 15 of the 17 peers that reported the number of steps in their pay plans.
- The percentage difference between steps reported by peers is on average 3 percent, while the Organization's difference between steps is 1.5%.
  - When considering rates paid to outside consultants and labor contractors at the base without burden, the Organization on average compensates the outside market at 10% more than internal positions for labor, and 11.9% more than internal professional positions.

#### Supplementary Salary Survey Results

In addition to collecting primary data for selected benchmark positions, the Organization provided Evergreen with labor rates and consultant rates as utilized to secure additional labor





in areas. The comparison of Organization's base rate without burden (fee paid to contracting company) as compared to the average rate paid to the equivalent benchmarked full-time position for the Organization can be seen in Chapter 4, Exhibits J&K. On average, the Organization compensates outside consultant's 11.96 percent more than internal full time equivalent positions. When considering benchmarked labor positions, the Organization compensates for contracted positions on average of 10 percent more than equivalent full-time positions.

The results of the market summary chapter are pivotal in the formulation of recommendations by Evergreen. By assess the Organization's standing with the market compared to its counterparts, Evergreen can offer suggestions aimed at helping the Organization achieve its desired competitive stance. This analysis allows Evergreen to tailor recommendations that align with the Organization's goals and aspirations within the competitive landscape.

## SECTION 5 – BENEFITS SURVEY RESULTS

As a component of this study, Evergreen conducted a benefits market analysis. The benefits analysis, represented a snapshot in time, based on available information provided by 18 target peer organizations. It is important to note that while a survey can provide the organization with an understanding of the total compensation (salary and benefits) offered by its peers there are intricacies involved with benefits programs that are not captured by a benefits survey alone. A summary of the major findings are as follows:

- **Comprehensive Health Insurance Offerings:** GOAA's health insurance offerings, consisting of two PPO plans and a HDHP plan, showcase a commitment to providing diverse options for employees. While the average number of health plans offered by peers is slightly less than two, GOAA exceeds this with three plans. Additionally, GOAA's contribution towards premiums, particularly for the HDHP plan, stands out, covering 100% of individual premiums, and between 86 percent and 91 percent for other plans. This demonstrates a robust approach to employee health benefits, ensuring accessibility and affordability.
- **Enhanced Disability Coverage:** GOAA distinguishes itself in disability coverage, offering comprehensive short-term disability coverage with 100% employer-paid premiums. Moreover, its long-term disability plan, while similar to peers in terms of being employer-paid, offers slightly higher coverage at 60% of the salary, reflecting a commitment to supporting employees in the event of extended absences due to illness or injury.
- **Generous Tuition Reimbursement Program\*\*:** In comparison to its peers, GOAA offers a more generous tuition reimbursement program, providing a limit of \$3,500 per calendar year. This demonstrates a commitment to supporting employees' professional development and higher education pursuits, potentially boosting employee morale and retention by investing in their career advancement.



- **Strategic Approach to Leave and Compensation:** Despite offering fewer holidays compared to the average among peers, GOAA adopts a strategic approach to leave and compensation. It provides a higher average of sick leave to accommodate mental health days and offers paid time off for management employees, demonstrating a nuanced understanding of employee well-being and varying needs. Additionally, GOAA's emphasis on longevity pay and other incentive pay programs over merit-based rewards highlights a strategic focus on rewarding long-term commitment and achieving organizational objectives, setting it apart from its peers.

## SECTION 6 – RECOMMENDATIONS

After reviewing the information provided in the preceding sections of this report, Evergreen developed recommendations to improve the Organization's current compensation and classification system. The recommendations, as well as the findings that led to each recommendation, are generally discussed with specific details provided in Chapter 5 of the Report. The recommendations are organized into three sections: classification, compensation, and administration of the system.

### 6.1 CLASSIFICATION RECOMMENDATIONS

In the analysis of the Organization's classification system, Evergreen Solutions collected classification data through the Job Assessment Tool (JAT) process. The JATs, which were completed by employees and reviewed by their supervisors, provided information about the type and level of work being performed for each of the Organization's classifications. Evergreen reviewed the data provided in the JATs and used the information as the basis for classification recommendations

**FINDINGS—** The classification system being utilized by the Organization was generally accurate, and titles described the work being performed by employees. However, there were some positions that required consolidation, as well as several of the Organization's classifications require some modification to better describe the work being performed. Current job descriptions and corresponding Fair Labor Standards Act (FLSA) exemption status require review, updates, and revisions.

**RECOMMENDATION 1:** Adopt a new classification system for all employees: Evergreen has developed a new proposed classification system for the Organization's consideration. By organizing highly similar work performed by different positions under a singular title, the Organization will have a more organized system of grouping types of work performed, and better be able to track and ensure internal equity.

**RECOMMENDATION 2:** Update existing class description to reflect the new classification system and review all updated descriptions for FLSA status: With the Aviation Authority making the proposed title changes, Evergreen will provide the Aviation Authority with updated classification descriptions and will recommend updated FLSA status for the roles based on the new job descriptions.



## 6.2 COMPENSATION RECOMMENDATIONS

The compensation analysis consisted of two parts: an external market assessment and an internal equity assessment. The external assessment consisted of comparing the Organization against its peer organizations within its market. During the internal equity assessment, a composite score was assigned to each of the Organization's classifications that quantified the classification's level of five separate compensatory factors. The level for each factor was determined based on responses to the JAT.

**FINDINGS**— While the Organization currently maintains an organized and defined overall pay plan, for its bargaining, non-bargaining, and executives, Evergreen found that the Aircraft Rescue and Fire Fighting pay plan (ARFF) displayed more steps than its peers, as well as had more narrow percentage differences between steps.

**RECOMMENDATION 3:** Slightly adjust the current pay plan to maintain market position for the Bargaining, Non-bargaining, and Executives, and adopt a new, market responsive compensation structure for the ARFF and ARFF Management groups, as well as assign all positions to it equitably.

Evergreen has developed five new pay plans for the Organization's consideration. The details of the proposed plans are located in Chapter 5, Exhibit 6A.

**RECOMMENDATION 4:** Evergreen recommends the Organization adopt a methodology to transition employee salaries into the proposed pay plans that aligns with its established compensation philosophy and meets the available financial resources of the organization.

The second step in implementing the proposed structures is to transition employee salaries into their newly recommended pay ranges. This step can be taken via a variety of methods, each with their own strengths and drawbacks; these options are outlined below.

**Bring to Min:** This option consists of placing employees in the proposed pay ranges and raising the wage of any employee who is below the minimum of their recommended pay range up to the minimum of their pay range. If an employee's current salary is higher than their pay range minimum, no adjustment is made, and as such no salaries are decreased as part of this adjustment.

**30-Year Class Parity:** This option consists of placing employees in their proposed pay ranges based on how long employees have been in their current class title with the organization. The parity effectively divides the pay range by 30, and places employees within their range based on their class time. The parity effectively divides the pay range by 30, and places employees within their range based on their class time. This method can space out compressed employee salaries along the range.

**30-Year Tenure Parity:** This option consists of placing employees into their proposed pay ranges based on how long employees have been with the organization. The parity effectively divides the pay range by 30, and places employees within their range based on their time with the organization. This method can space out compressed employee salaries along the range.



**30-Year Hybrid Parity:** This option consists of placing employees into their proposed pay ranges based on how long employees have been with the organization. The parity effectively divides the pay range by 30, and places employees within their range based on their class time. The employees are given partial credit for anytime they have spent at the organization outside of their current classification at half credit. This methodology seeks to re-align employee salaries on the basis of years in classification, while also giving credit for additional organizational experience, and can space out compressed employee salaries along the range based on this factor.

**Compa Ratio:** This option consists of placing employees into their proposed pay grades based on their placement within their current pay grade. This option would best align with a compensation philosophy in which salaries are progressed based on factors other than the amount of time an employee has in the classification or the amount of time an employee has with the organization. This method works best if the organization believes employees are currently spread within their ranges equitably.

### 6.3 COMPENSATION AND CLASSIFICATION SYSTEM ADMINISTRATION

The recommendations provided were developed based on conditions at the time the study was conducted.

**RECOMMENDATION 5:** Conduct small-scale salary surveys as needed to assess the market competitiveness of hard-to-fill classifications and/or classifications with retention issues and adjust pay grade assignments if necessary.

If one or more classifications are exhibiting high turnover or are having difficulty with recruitment, the Organization should collect salary range data from peer organizations to determine whether an adjustment is needed for the pay grade of the classification(s).

**RECOMMENDATION 6:** Conduct a comprehensive classification and compensation study every three to five years. It is recommended that a full classification and compensation study be conducted every three to five years to preserve both internal and external equity for the Organization.

While the previous two recommendations intend to maintain the competitiveness over time of the classification and compensation structure as a whole, it is also necessary to establish procedures for determining equitable pay practices for individual employees.

**RECOMMENDATION 7:** Revise policies and practices for moving employees' salaries through the pay plan, including procedures for determining salaries of newly hired employees and employees who have been promoted, demoted, or transferred to a different classification.

The method of moving salaries through the pay plan and setting new salaries for new hires, promotions, demotions, and transfers depends largely on an organization's compensation philosophy. However, it is important for the Organization to have established guidelines for each of these situations, and that they are followed consistently by all employees. Common practices for improving and establishing employee salaries are outlined below.



## Salary Progression

Evergreen recommends Organization enact the second phase of implementing the new pay plan which would involve a one-time salary adjustment for employees to ensure they are placed in the proper percentile of their salary range. While this major adjustment should be performed when the Organization has the financial resources to do so, the Organization should continue to adjust salaries annually when financially feasible. Based on the feedback from employees and Organization leadership, Evergreen recommends that the basis of salary adjustment in the future be done at three distinct levels.

- **Classification:** As a result of the market surveys, the Organization may identify classifications or job families that are experiencing considerable market movement and as a result, reassignment of the pay grades should be considered when this occurs. Alternatively, if the Organization identifies classifications that have become hard to recruit and retain, pay grade reassignment should also be considered to ensure the Organization is competitive for both recruiting new talent and retaining existing employees.
- **Individual:** To tie into the adjustment of the structure, Evergreen recommends the Organization adjust employee salaries annually for Cost-of-living adjustment (COLA). More guidance is provided on this section in Chapter 5 of the Report.

## New Hires

A new employee's starting salary largely depends on the amount of education and experience the employee possesses beyond the minimum requirements for the job. Guidance and consistent structure is critical.

**RECOMMENDATION 8:** Evergreen recommends the Organization adopt a hiring grid that aligns with its selected implementation methodology. Dependent upon which route the Organization elects to transition employees into the new salary ranges, a hiring grid should be adopted that provides guidance about where new employee salaries should be set. Evergreen will work with the Organization's leadership team to develop a structure that aligns with any selected method of implementation.

## Promotions/Demotions

It is common for organizations to establish a minimum percentage salary increase that depends on the increase in pay grade as a result of the promotion or demotion. Regardless, a minimum percent increase or decrease should be established, preserving salary equity.

## Transfers

An employee transfer occurs when an employee is reassigned to a classification at the same pay grade as their current classification or when an employee's classification stays the same, but their department changes. In either of these cases, it is likely that no adjustment is necessary to the employee's salary. A salary adjustment should be made if their current salary is not aligned with the salaries of employees in the new classification or department.



**RECOMMENDATION 9:** Evergreen recommends the Organization update its policy regarding promotions/demotions and transfers to align with its new compensation structure.

Evergreen recommends the Organization implement a minimum increase equal to the midpoint progression between the employee's current grade, and the employee's new grade. The employee's salary should always be increased to at least the minimum of the new salary range. In the case of demotions, Evergreen recommends a minimum salary decrease equal to the midpoint progression between the employee's current grade, and the employee's new grade. Further guidance is offered in Chapter 5 of the Report.

#### Critical Classifications

The Aviation Authority's human resources staff should assess all classifications each year to determine those that should be categorized as "critical" based on market data collected for that year and turnover. Additional guidance is located in Chapter 5 of the Report.

**RECOMMENDATION 10:** Evergreen recommends the Organization implement a critical classification program and compensate those classifications that qualify 10 percent above their current base rate of compensation.

## 6.4 SUMMARY

The Organization should be commended for its dedication to ensuring competitive and equitable compensation for its employees. The recommendations outlined in this report introduce a new competitive pay structure, along with classification titles and pay grade assignments that are both internally and externally equitable. Additionally, the suggested system administration practices will equip the Organization with a responsive compensation and classification framework for the years ahead. Through maintain this recommended system will demand tangible effort, the Organization will discover that investing in a competitive compensation and classification system, one that fosters robust recruitment and employee retention, is a commitment worth making. Crucial to the future success of the revised classification and compensation systems is ongoing communication and transparency.

