

## **MARSHALLS ENERGY COMPANY, INC**

P.O. Box 1439, Majuro, Republic of the Marshall Islands, MH 96960  
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March 30, 2020

TO: Interested Professional Services Consultants  
FROM: Marshalls Energy Company  
SUBJECT: Request for Qualifications

Dear Sir/Madam,

### **REQUEST FOR QUALIFICATIONS (RFQ)**

#### **TO DEVELOP COMPANY-WIDE PAY SCHEDULE FOR THE MARSHALLS ENERGY COMPANY**

#### **MAJURO, REPUBLIC OF THE MARSHALL ISLANDS**

The Marshalls Energy Company (MEC) is hereby soliciting Statements of Qualification (SOQ) from interested professional services consultants to develop a company-wide pay scale with salary classifications by position, provide position descriptions, document an organizational structure, and update relevant employment policies and procedures.

#### **Section 1: Introduction and Background**

MEC is a semi-autonomous company, responsible for the generation, distribution and sale of electricity on several islands and atolls within the Republic of the Marshall Islands (RMI). MEC's core business is in the generation and distribution of electricity and the buying and selling of petroleum products.

#### **MEC Management and Organizational Structure**

The general policies of MEC are determined by an eight (8) member Board of Directors, comprising a Chairman, a Vice Chairman, a Secretary and five (5) Directors. The appointment of the MEC Board of Directors is made at Cabinet level. The Board of Directors is effectively known as the Combined Utilities Board.

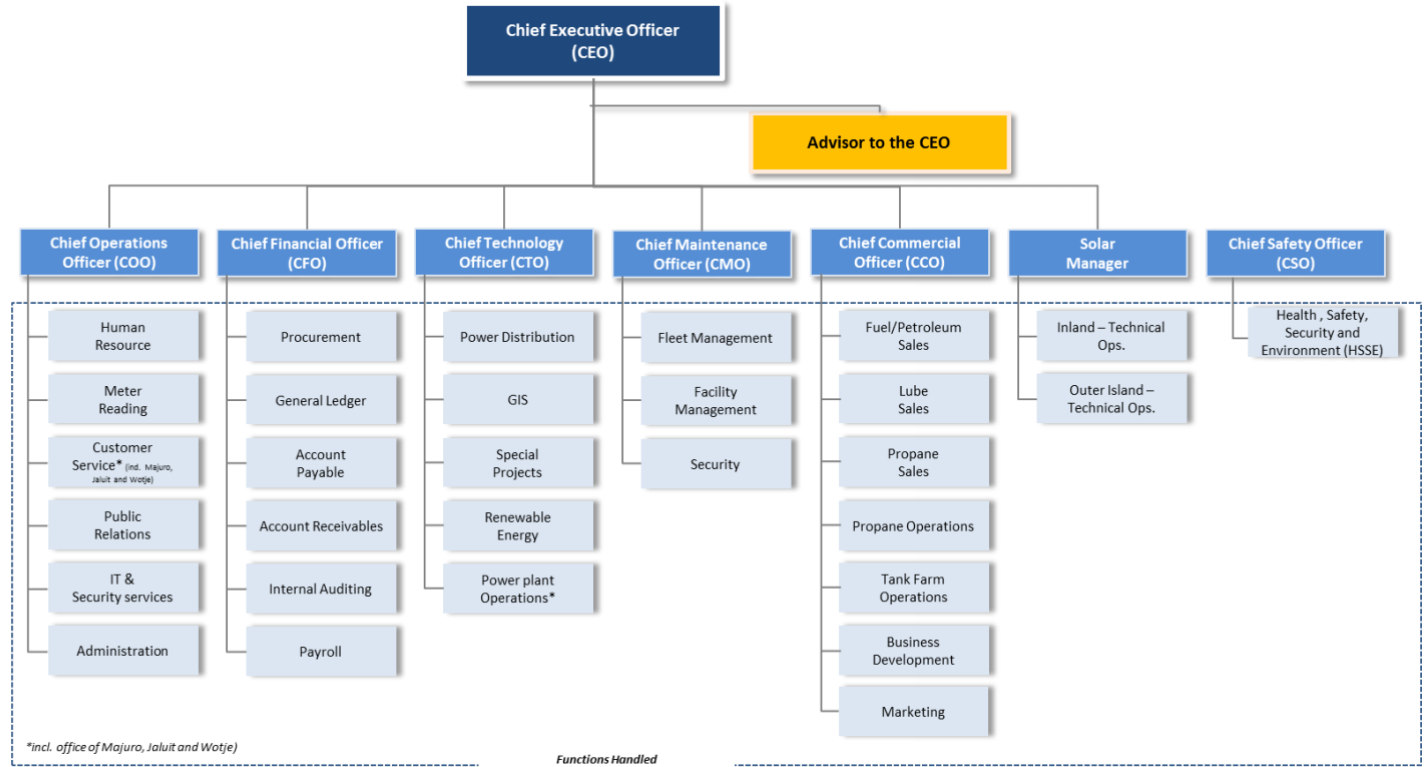
The MEC bylaws require the Board to appoint a General Manager (GM) who is the Chief Executive Officer (CEO) of MEC and a non-voting member of the MEC Board of Directors. The GM is charged with the control and management of the company. The GM reports directly to the Board and is often required to interact directly with Cabinet Ministers and other high-level Government officials.

The GM is also functionally responsible for the RMI Combined Utilities, which apart from MEC also includes the Majuro Water & Sewage Company (MWSC) and the Kwajalein Atoll Joint Utilities Resources (KAJUR). MEC also provides managerial oversight of KAJUR and MWSC. The three utility companies have a combined workforce of

nearly 300 employees and have operations on Majuro, Ebeye, Jaluit, Wotje, and Rongrong Island including most of the other twenty inhabited atolls within the Marshall Islands.

Within MEC, the Divisional Heads reporting to the CEO are the Chief Technical Officer, Chief Financial Officer, Chief Operating Officer, Chief Safety Officer, Chief Maintenance Officer, Chief Commercial Officer. The Jaluit and Wotje Administrators report to the Chief of Operations and the Jaluit and Wotje Power Plant Superintendents report to the Plant Operations Manager. Figure 1 illustrates the existing organization and reporting structure of MEC.

**Figure 1: MEC Organizational Chart\***



*\*subject to change*

### MEC Organization Personnel

The existing workforce for MEC consists of approximately 201 employees, the majority of which are experienced in fuel management, diesel generation, operations and maintenance, and electricity distribution. Senior and key positions at distribution and powerplants require technical skills. Due to the lack of available technical expertise on island, many of these positions are vacant and unfilled. In order to maintain adequate technical expertise, additional foreign consultants are often brought in and funded by international donors. The transient highly skilled labor also contributes to consistency issues across the company, thus the need for formal policies and procedures to be developed and implemented.

## Section 2: Scope of Work

### MEC Objectives

This project meets the following MEC 2019-2021 objective:

- *To improve overall company operations through effective policies and procedures and the implementation of performance improvement initiatives [Organizational Performance and Capacity – CRP 2]*

### Assignment Purpose and Need

The small population of RMI equates to limited human capital and few specialized education facilities. Combined with the right to live and work in the United States, one third of the total Marshallese emigrate in search of education and employment opportunities. To keep and attract skilled workers, MEC must have a transparent organizational structure and develop opportunities for internal advancement.

The purpose of this project is to establish an organizational structure for MEC that focuses on enhancing the skills of local Marshallese and provides a clear pathway for internal promotions and professional development. The organizational structure will apply to MEC only but could expand to include MWSC and KAJUR at a later date, subject to mutual agreement and budget availability.

### Project Tasks

It is anticipated that the consultant will work closely with MEC and the Combined Utilities Board to conduct the following tasks. Tasks may be edited or added during the contract negotiation phase.

- Organizational Structure:
  - Update the current organizational structure.
  - Document and describe MEC departments, where necessary:
    - Identify specific roles and key functions of each department; and
    - Identify leadership position.
- Position Descriptions:
  - Document existing and needed positions company wide.
  - For each position define:
    - Job title and function;
    - Job duties and responsibilities;
    - Qualities and expectations;
    - Minimum education requirements;
    - Knowledge, skills and abilities required;
    - Distinguishing characteristics;
    - Existing salary range (quartiles); and
    - Other requirements.

- Pay Schedule:
  - Evaluate each position within MEC based on job size to generate an internally equitable base salary pay.
  - Gather market data on all positions: locally, regionally and nationally. Compare base salary pay regionally (e.g. FSM, Guam, CNMI, Palau comparison) and internationally (e.g. Hawaii, U.S. Mainland, Australia) to determine where MEC is positioned in the marketplace.
  - Develop a new pay schedule for MEC. The pay schedule shall include a mechanism to methodically adjust pay based on performance, education, and experience.
  - Generate an implementation range for every position and assign existing employees into the new compensation model.
  - Perform a cost analysis of different scenarios in order to migrate the company to a more competitive market position.
  - Assist MEC management in implementing the preferred cost option.
- Update Existing Employment Policies and Procedures:
  - Describe personnel salary and benefits policies, including:
    - Performance-based incentives and bonus structure;
    - Annual merit increase policy; and
    - Exceptional recruitment and retention incentive options.
  - Describe standard policies and procedures for:
    - Recruitment;
    - Hiring;
    - Promotions;
    - Lateral transfers;
    - Demotions and reclassifications;
    - Counteroffers; and
    - Severance.
  - Develop performance evaluation criteria and policy.
  - Describe policies related to employee training and development.
  - Develop administrative and record management procedures and standard forms for implementation of the above policies.

**Project Schedule:**

The selected consultant must commence services within 10 working days from notice to proceed.

A site visit should be coordinated with MEC upon notice to proceed (subject to ongoing travel restrictions).

The project shall be completed within 6 months of notice to proceed.

### Section 3: Statement of Qualifications

MEC invites Statements of Qualifications (SOQ) from interested and qualified individuals or firms. The document should include the following:

- **Profile of Firm / Individual**
- **Project Personnel Qualifications and Experience.** Provide an organizational chart indicating reporting structure and resumes for all key staff.
- **Past Performance on Projects of a Similar Scope and Size.** Highlight the technical experience of your entity in undertaking similar assignments. Provide a maximum of ten project descriptions, including: project title, client, year completed, cost, scope of services provided. Projects located within the Pacific region are preferred.
- **Management Competence.** Describe standard policies, procedures, and practices that your entity implements to (1) minimize and manage changes in scope, cost, or schedule; (2) assure quality work products; and (3) avoid changes / replacements of personnel and to ensure the continuity of professional services once contracted.
- **References.** Provide five (5) professional references.
- **Project Approach and Schedule.** Summarize your approach and methodology to complete the project. Include key project considerations. (Maximum 500 words). Include in this section any comments on the sufficiency of the scope of work and schedule.

The statement of qualifications shall not exceed 30 pages.

Fee proposals will not be accepted with the Statement of Qualifications.

### Section 4: Selection Criteria and Process

Evaluation will be by the Evaluation Committee. The committee shall evaluate and rate the submission of all qualified responders. Ratings will be based on a 100- point scale, with a minimum score of 70 required for selection consideration.

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|--|-----------|
| a) Qualifications Project Staff:   | 30 points |
| b) Past Performance on Projects of a Similar Scope and Size (Pacific Region Experience Preferred): | 30 points |
| c) Management Competence and Reference:  | 10 points |
| d) Project Approach and Schedule:  | 30 points |

The firm with the highest rating will be invited to negotiate fee, terms, and conditions. If negotiations with the highest rated firm are not successful, then the second highest-rated firm will be invited to negotiate fee, and so forth.

MEC reserves the right to reject any or all SOQs submitted for any reason, if in MEC's sole opinion to do so would be in MEC's best interest.

## Section 5: Proposal Submission

Interested consultants should submit a pdf of the SOQ through the Tenderlink Electronic Tender Box, <https://www.tenderlink.com/mecrmi>, no later than **2:00 p.m. MH local time on May 1, 2020**. The pdf size shall not exceed 5 MB. SOQ received after the closing date will be rejected and submission disqualified.

SOQs shall be addressed to:

Mr. Jack S. Chong-Gum  
Chief Executive Officer  
Marshalls Energy Company, Inc.  
1439 Lagoon Drive, Rm. CTO  
Majuro, Marshall Islands, 96960  
Telephone: +692 625-3289  
Fax: +692 625 5886  
E-mail: [jack.chonggum@mecrmi.net](mailto:jack.chonggum@mecrmi.net)

## Section 6: Request for Information

Any questions or inquiries pertaining to the RFQ should be directed via the online forum on the Tenderlink portal, <https://www.tenderlink.com/mecrmi>. Questions or comments on this RFQ must be submitted no later than four (4) business days before the proposal closing date.

Any addenda to the RFQ Documents (revisions and clarifications) will be uploaded on the Tenderlink portal <https://www.tenderlink.com/mecrmi/>, and all consultants that have downloaded the RFQ documents will receive an email notification in regards to the addenda.

Sincerely,

Jack Chong Gum  
CEO  
Marshalls Energy Company

Cc: Chief Operations Officer  
Chief Commercial Officer  
Chief Financial Officer  
Human Resources