



**CITY OF NORTHFIELD**

**REQUEST FOR PROPOSALS (RFP)**

**COMPENSATION**

**AND**

**CLASSIFICATION STUDY**

February 2016

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February 17, 2016

Dear Consultant:

Enclosed is the background information necessary to provide a proposal for the position classification and compensation system study for the City of Northfield. The City of Northfield has not conducted a thorough compensation review since 2006. January 2007 was the implementation date of compensation and classification system.

The end report must conform to the standards set by the Minnesota Department of Management and Budget (MMB) for compliance with pay equity, Fair Labor Standards Act as well as all other pertinent laws. All proposals must be received by 4:30 PM on March 11, 2016.

Thank you for your consideration. If you have any questions concerning the specifications, etc. please contact me at 507-645-3012.

Sincerely,

Michelle Mahowald  
Communications & Human Resources Manager  
City of Northfield

## **GENERAL INFORMATION AND CONDITIONS**

1. The City Council of the City of Northfield is accepting proposals for a Compensation & Classification Study, including review of the current position descriptions, classifications, equity, compensation and evaluation process of its full-time, part-time, and seasonal employees. This includes review of internal equity, market analysis, and establishment of job evaluation points and a job evaluation process to be used to assign points in the future.
2. It is the City's desire to present findings and recommendation of any necessary changes to members of the City Council and City staff. Please outline your requirements for presentation, timing, and fee structure. A representative may be expected to provide or assist in conducting these informational meetings, if deemed necessary.
3. Minor revisions to original proposals, if requested by the City, may be negotiated following the proposal deadline and prior to being submitted to the Council for approval.
4. All proposals must comply with Federal and State regulations pertaining to compensation standards, including but not limited to pay equity legislation, ADA, and FLSA.
5. Four copies of your proposal will be accepted until 4:30 p.m. on Friday, March 11, 2016 in the office of the following: City of Northfield, Attention: Michelle Mahowald, Communications & Human Resources Manager, 801 Washington Street, Northfield, MN 55057. Proposal should be labeled "Proposal-Classification and Compensation Study 2016."
6. Mayor Graham, Council Member Pownell, City Administrator, and Communications & Human Resources Manager will review RFP's, interview, and recommend a consultant to the Council in April. If you have any questions concerning the specifications, etc. please contact Michelle Mahowald, Communications & Human Resources Manager 507-645-3012.
7. The City reserves the right to accept or reject any and all proposals that are in the best interest of the City and its employees. The consultation award will be based upon, but not necessarily limited to, rates, proposed options and methodology, project design, timeline, and the experience of the Consultant with municipalities and similar governmental instrumentalities and labor markets.

## **PROJECT**

The City of Northfield is soliciting proposals for professional services for the development and implementation of a job classification, evaluation and compensation system that meets Federal and State compensation standards such as the Minnesota Local Government Pay Equity Act, Fair Labor Standards Act and other pertinent laws.

## I. PROJECT BACKGROUND AND GOALS

The City of Northfield currently has in place a job evaluation and compensation system that was reviewed and updated in 2007 for pay equity compliance. Northfield is an established community south of the Twin Cities with a population of approximately 20,515. The City has approximately 65 position descriptions which are subject to the State of Minnesota Pay Equity Compliance requirements. There are 82 position titles listed at the end of this RFP of all permanent full-time, part-time, seasonal, and internship positions.

Northfield employs 80 full-time employees. Of this, 44 employees are organized in the following unions:

- Local No. 70 which represents our General Unit and Utilities Unit.
- Law Enforcement Labor Services which represents our Sergeant Unit and Police Officer Unit.

Approved 2015-2016 collective bargaining agreements will expire on December 31, 2016.

Non-exempt, exempt, and union positions are paid on a step program. The City has been in compliance with pay equity requirements in the past, but will need confirmation that this is still the case. Internal equity is based on the Riley, Dettmann, & Kelsey point structure implemented with the 2007 Study, effective October 1, 2007. The City may be interested in using another system to better match other area municipalities and allowing for comparison purposes or in keeping the existing system. Considering the current compensation system and step schedule, the City of Northfield would like to consider alternative plans to make comparison to the current plan, but at a similar cost.

Throughout the last several years there have been several changes in position classifications and compensation schedule adjustments. The City does, however, recognize the need to establish a method for determining classification and job evaluation points for newly established positions. There is also a need to have the entire job evaluation and compensation system reviewed by an outside professional consultant. A method for determining the validity of requests for position (and thus compensation) re-classifications is also of interest. Management may also want to explore various methods of payment such as merit vs. step systems and reduction of the number of steps while creating consistency throughout. An Open Range structure may be an option.

The goal would be to execute a complete plan and process audit to achieve the new plan and process development, including:

- Evaluate each position utilizing an up to date job description.
- Create an opportunity for management and employee input through utilizing key participants.
- Compile and analyze market comparables and competitive data.
- Ensure state and federal regulatory compliance.
- Draft new design according to City philosophy.
- Create a transition and implementation plan.
- Provide necessary tools to manage program going forward.

Employee and management involvement through participation and informational meetings on the process and outcomes will be an integral component to the success and acceptance of any outcome.

## II. SCOPE OF WORK

- A. Provide professional services with integrative support services to evaluate and analyze needs, design, develop, and implement a position evaluation and compensation system that includes the following milestones:
- Evaluation and analysis of City needs and philosophy.
  - Thorough evaluation of each position to determine a job value, by assigning points to the position based on standard factors; or, a thorough review of the current position evaluations with recommendations for necessary revisions.
  - Objective classification ranking of each position and the provision of internal pay equity.
  - Evaluation of existing job descriptions and the recommendations of revisions to assure compliance with ADA and other State and Federal requirements.
  - Provide a wage/labor market survey and the analysis of supporting data for the development of a pay structure while assuring internal and external equity and compliance with State Pay Equity compensation standards.
  - Provide recommendations and options for a newly designed evaluation and compensation system. Include the feasibility of implementing a performance based compensation system or a performance based component of the system.
  - Provide the City of Northfield with a completed pay equity report that would not need to be submitted to DOER but provide assurance the proposed plan meets Pay Equity reporting compliance. .
  - Provide recommendations on a system for determining the validity for requests for reclassification and/or compensation changes.
  - Determine exempt and non-exempt status for each position. Provide written documentation outlining the rationale used to determine status for City files.
  - Provide implementation support, which would include, but not be limited to, City Council, employee groups and union groups presentations and maintenance training on the system.
  - Post contract services involving review of new job descriptions and determination of points and salary for the new position as well as completing the State Pay Equity report following compensation review to assure compliance. Provide any requested documentation to DOER regarding changes to the pay plan for that report submittal.
- B. Establish and provide concrete schedules for each of the above proposed developments.
- C. Present findings and recommendations, including written and oral reports and policies at various meetings such as employee and City Council meetings.
- D. Propose solid contract terms. Including an itemized fee schedule for work included in the scope of work and a payment plan based on measurable contract milestones.

### III. CONSULTANT SUBMITTAL

The proposal shall contain the following information:

A. Provide references of municipalities in the State of Minnesota who have implemented and are currently utilizing the compensation system being proposed or a similar system designed, developed, and implemented by your organization. Include the name and phone number of the contact person at each municipality, as well as a description of the services performed, implementation date, and the names of the personnel from your office that worked on the project at each municipality.

B. Professional Liability (E& O) Insurance.

*\*Please note that when the contract is negotiated with the successful bidder, there may be other provisions required with regard to professional liability insurance.*

Bidder is required to maintain insurance protecting it from all claims the Bidder may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Bidder's professional services required under the contract. Contractor is required to carry the following limits:

\$2,000,000 – per claim or event

\$4,000,000 – annual aggregate

Any deductible will be the sole responsibility of the Bidder and may not exceed \$50,000 without the written approval of the City.

The retroactive or prior acts date of such coverage shall not be after the effective date of the contract and the Bidder shall maintain such insurance for a period of at least (3) years, following completion of the work. If such insurance is discontinued, extended reporting period coverage must be obtained by the Bidder to fulfill this requirement.

C. Names and relative backgrounds of the personnel to be assigned to the project.

D. Information stating your organization's approach to the development of a compensation system for the City of Northfield. Include information and outcome documents on the job evaluation system being proposed as well as sample job descriptions, policies and procedures, and questionnaires employees will be required to complete. Also include information on how your organization will handle evaluation of each aspect identified in the job description and questionnaires.

E. Identify your approach to creating union and non-union involvement with the development of the position classifications and compensation schedules.

F. Identify a concrete, but reasonable timeline for the completion of each component in the process as well as implementation guidelines.

G. The proposal should clearly define the timelines, proposed fees, and the scope of services to be provided during each of the following specific project components:

1. Introduction and Project Orientation

2. Position Analysis
3. Position Descriptions for full-time, part-time, seasonal, and internships.
4. Position Classifications/Ranking/Grades/Evaluation
5. Wage/Labor Benchmarks/Market Pricing
6. System Structure Development according to Northfield compensation philosophy
7. System testing for equity and fairness
8. Preparation of final documents for the plan, including presentation, policy, guidelines and procedures for administration (such as how the plan is adjusted for cost of living and how employees advance through the ranges and any other pertinent information). Any written and computerized data and supporting information must be submitted as appropriate.
9. Training on the system maintenance and updating such as position additions and wage structure updates.
10. System Implementation.
11. Future assistance that can be provided by your organization.
  - a) Proposals shall clearly define additional services and/or reimbursable costs not included in the basic fees, including any hourly rates or fees for post contract services.
  - b) Proposals shall include a “not to exceed” lump sum fee protection.
  - c) Identify cost estimates for all aspects including potential areas in which the City of Northfield staff can provide assistance resulting in cost savings to the City.

#### **PROJECT COMPLETION**

It is the intent of the City to provide as much support and assistance to the consultant to ensure that the project is completed by October 31, 2016.

#### **IV. OTHER**

A. Questions regarding this Request for Proposal should be directed to:

Michelle Mahowald  
Communications & Human Resources Manager  
City of Northfield  
801 Washington Street  
Northfield, Minnesota 55057  
Telephone: 507-645-3012  
[Michelle.Mahowald@ci.northfield.mn.us](mailto:Michelle.Mahowald@ci.northfield.mn.us)

- B. The City of Northfield reserves the right to reject any and or all proposals for any, or no reason, and furthermore reserve the right to accept any proposal deemed to be in the best interest of the City.
- C. Four (4) copies of the proposal are to be submitted by 4:30 p.m. on Friday, March 11, 2016, to Michelle Mahowald at the above address.
- D. Finalists may be requested to make a presentation to an employee committee and/or City Council/employee sub-committee for evaluation.

## PROPOSAL RATE SHEET

DATE OF SUBMISSION:

NAME OF CONSULTANT SUBMITTING PROPOSAL:

BACKGROUND ON COMPANY AND EXPECTATION FOR CONTINUED BUSINESS:

PROJECT BREAKDOWN WITH CONCRETE TIMELINE DATES:

PROPOSAL:

RATES INCLUDING SAVINGS EXTENDED FOR CITY STAFF ASSISTANCE; ANTICIPATED TOTAL COST OF SERVICES BROKEN DOWN BY MILESTONE COMPONENT, INCLUDING THE LUMP SUM NOT TO EXCEED PROTECTION:

OUTCOMES INCLUDING ALL DOCUMENTS THAT WILL BE PROVIDED:

HOW ARE DISPUTES HANDLED?

WILL THE CONSULTANT PROVIDE HELPFUL RECOMMENDATIONS ON THE DIALOGUE USED FOR DIFFICULT CONVERSATION BY CITY STAFF (I.E. PAY FREEZE – redlined employees) ?

WILL THE CONSULTANT PRESENT TO EMPLOYEE, UNION AND CITY COUNCIL GROUPS AT VARIOUS STEPS IN THE PROCESS?

WILL THE CONSULTANT PROVIDE ANY NECESSARY DOCUMENTATION REQUIREST BY MMB IN ORDER TO FULFILL PAY EQUITY REPORTING (NOTABLY MINN. STAT. § 471.994, “A political subdivision that substantially modifies its job evaluation system or adopts a new system shall notify the commissioner.”)

FUTURE HELP POSSIBILITIES INCLUDING TIMELINES AND RATES:

RECOMMENDED TIPS YOU’VE LEARNED ABOUT IMPLEMENTATION OF A COMPENSATION AND PAY STUDY

SUBMITTED BY: (officer of company)

# CITY OF NORTHFIELD JOB POSITION TITLES

## **1. ADMINISTRATION**

- City Administrator (1)
- City Clerk (1)
- Administrative Assistant (1)

## **2. FINANCE**

- Finance Director (1)
- Accounting Coordinator (1)
- Accounting Technician II (1)
- Accounting Technician (1)
- Director of Liquor Operations (1)
- Liquor Store Clerk III (2)
- Liquor Store Clerk II (3)
- Liquor Store Clerk I (7)
- Motor Vehicle Clerks (3)

## **3. COMMUNICATIONS & HUMAN RESOURCES**

- Communications & Human Resources Manager (1)
- Human Resources Technician (2)

## **4. COMMUNITY DEVELOPMENT:**

- Community Planning and Development Director (1)
- Building Official (1)
- Building Inspector/Permit Technician (1)
- City Planner (1)
- Housing Coordinator (1)
- Economic Development Coordinator (1)
- Part-time Code Enforcement Assistant (1)
- Administrative Assistant (1)

## **5. LIBRARY AND IT**

- Director of Library and IT Services (1)
- Reference & Youth Services Manager (1)
- Technology/Circulation Services Coordinator (1)
- Technology/Circulation Services Assistant Coordinator (1)
- Children's Program Librarian (1)
- Reference Librarian II (2)
- Reference Librarian I (1)
- Reference Library Assistant (1)
- Substitute Bookmobile Driver (1)
- Circulation Clerk II (2)
- Circulation Clerk I (5)
- Library Shelver (5)
- Network Technician (1)
- IT Support Specialist (2)

## **6. POLICE**

- Police Chief (1)
- Deputy Chief (1)
- Administrative Assistant (1)
- Emergency Management Director (1)
- Sergeants (4)
- Records Specialist (2)
- Community Services Officer (1)
- Evidence Technician (1)
- Patrol Officers (17)

## **7. PUBLIC WORKS**

- Public Works Director/City Engineer (1)
- Utilities Manager (1)
- Utilities Foreperson (1)
- Waste Water Foreperson (1)
- Pool & Ice Arena Supervisor (1)
- Engineering Manager (1)
- GIS Technician(1)
- Water Quality Technician (1)
- Streets & Parks Manager (1)
- Streets & Parks Foreperson
- Facilities Manager (1)
- Facilities Worker (1)
- Recreation Facilities Assistant (1)
- Engineering Technician (1)
- Administrative Assistant (2)
- Waste Water Operators (3)
- Water Operator II (1)
- Utilities Technician (1)
- Utilities Operator I (1)
- Utilities Operator II (1)
- Public Work Operator All Areas (1)
- Mechanic (1)
- Public Works Operators (4)

## **8. PART-TIME/SEASONAL POSITIONS- SEPARATE PAY SCALE**

- Arena Attendant II – Zamboni Driver
- Substitute Librarian
- Head Lifeguard
- Gardener
- Ice Arena Attendant II
- Seasonal Public Works Worker
- Compost Site Monitor
- Lifeguard
- Substitute Circulation Clerk
- Ice Arena Attendant I
- Library Shelver
- Pool Attendant
- Rink Attendant

## **9. Internships**

