



CALEDONIA MINNESOTA

A CITY FOR ALL SEASONS

Request for Proposals

Classification and Compensation Study

Request for Proposals Date: January 24, 2023
Proposals Due Date: February 17, 2023
City Council Considers Award: February 27, 2023
Project Completion Date: July 1, 2023

For Questions Regarding these Proposal Documents contact:

Jake Dickson
City Clerk/Administrator
231 E Main St,
Caledonia, MN 55042
jdickson@caledoniamn.gov

Request For Proposals
Classification and Compensation Study
City of Caledonia

January 2023

January 24, 2023

Dear Consultant:

Enclosed is the background information necessary to provide a proposal for the classification and compensation system study for the City of Caledonia. The City last conducted a compensation study in 2016 which was implemented in 2017.

The City of Caledonia's objective for this study is to review and update the classification and compensation system with regards to the job descriptions and job duties, internal and external. The study must conform to Minnesota pay equity standards and the Fair Labor Standards act. All proposals must be received by 4:00PM on Friday, February 17.

Thank you for your consideration. If you have any questions concerning the specifications, etc. please contact me at 507-725-3450 or jdickson@caledoniamn.gov.

Sincerely,

Jake Dickson
City Clerk/Administrator
City of Caledonia

SECTION I. INTRODUCTION AND OVERVIEW

1 REQUEST FOR PROPOSALS. The City is soliciting competitive proposals for professional services for the review and implementation of compensation system that meets all Federal and State Compensation Standards. Sealed proposals will be received at Caledonia City Hall, 231 E Main Street, Caledonia, Minnesota, 55921 until **4:00 p.m. on Friday, February 17, 2023**. All proposals must be sealed and marked “City of Caledonia Classification and Compensation Study Proposal.” Any questions regarding the Requests for Proposals must be in writing and addressed to Jake Dickson, City Clerk/Administrator, Caledonia City Hall, 231 E Main Street, Caledonia, Minnesota, 55921 or sent via email to jdickson@caledoniamn.gov. Questions or requests for clarification of the Proposal documents shall be received by Friday, February 10, 2023. All questions will be responded to in writing on Monday, February 13, 2023 and each Consultant who has requested a Proposal package will be provided with a copy of the question asked and City’s response. Proposal documents may be obtained from Jake Dickson, City Administrator, at the above–referenced address, by telephone at 507-725-3450, or by e-mail to jdickson@caledoniamn.gov.

2 BACKGROUND. The City of Caledonia is located in the Southeastern corner of Minnesota and is the seat of Houston County, and has a population of 2,847. Caledonia is a Statutory Plan A city with four department heads reporting to the City Administrator. The departments included in this study are: Administration, Ambulance, Library, Liquor, Police, and Public Works. The City currently employs 20 full-time employees and 7 regular part-time staff. An organizational chart is included with this proposal. Current job descriptions are also included, some of which may have been updated in the last 6 years.

3 GOALS. The City recognizes the need to periodically review, analyze and update its job descriptions, classifications and compensation systems, and to periodically analyze its pay equity compliance. The goal of this study is to update the City compensation policy, update the City’s existing job classification system, analyze the City’s salary ranges to ensure continuing consistency with the market and make a recommendation, if necessary, regarding implementation of any recommended changes. The study should also review all aspects of compensation. The study should include the following current positions:

- Accounts Payable-Payroll Clerk
- Administrative Assistant
- Ambulance Director
- Assistant to the Clerk/Administrator
- City Clerk/Administrator
- Custodian
- Finance Officer
- Librarian
- Library Aide
- Line Foreman
- Line Worker
- Liquor Store Cashier
- Liquor Store Manager

- Police Chief
- Police Officer
- Police Sergeant
- Public Works/Zoning Director
- Street Maintenance Technician
- Utility Billing Clerk
- Water-Wastewater Operator
- Water-Wastewater Supervisor

The process should recognize and incorporate the following elements:

- Evaluating each position utilizing an up to date job description.
- Compile and analyze highly market comparable communities or private sector businesses providing similar services along with other competitive data such as value and type of benefits. Preference is for the study to compare the City of Caledonia to five to eight other communities or businesses with a minimum of five. “Highly market comparable” is to include factors such as population size, type of services provided, number of customers served and type of facilities managed, number of employees supervised, City or Department budget, complexity of operations or other such factors that can be reasonably compared.
- Ensure regulatory compliance with State and Federal rules and regulations.
- Evaluate the City's current pay system and report on its strengths and weaknesses. Recommendations for corrections within the existing compensation structure to achieve internal and external market equity OR provide the City of Caledonia with a proposal for new pay structure and pay plan to meet the goals of internal and external equity.
- Create a transition and implementation plan to make recommended changes.
- Provide necessary tools and information for staff and City Council to manage compensation plan going forward.

4 CONTENTS OF PROPOSAL DOCUMENTS. This Request for Proposals describes the information required from all Consultants and the criteria the City will use in making its decision. It also describes the requirements the successful Consultant will be required to conform with. Acceptable proposals must comply with the provisions under Section II: Elements of Proposal.

5 SUBMISSION OF PROPOSALS. All Consultants shall fully familiarize themselves with the City's Request for Proposals. Consultants will be deemed to acknowledge their familiarity with the entire Request for Proposals packet by virtue of submitting a proposal. Written Addendum will be issued in response to appropriate written questions or requests for clarifications that seek to clarify any material provision in the Proposal documents and are received on or before Friday, February 10, 2023. In no event shall a Consultant rely on any oral interpretation or representation of City staff in preparing their Proposal.

5.1 If proposals are sent by mail, it is the Consultant's sole responsibility to assure that the City receives the Proposal by the date, time and at the location specified herein.

5.2 The City reserves the right to cancel this Request for Proposals or postpone the date and time for submitting proposals at any time prior to the submittal date and time. The City reserves the right prior to the date for submission of proposals to modify, in whole or part, any portion of this Request for Proposals. Each Consultant who has requested a copy of the Proposal documents shall be notified in writing of any modification to the Request for Proposals. This Request for Proposals does not obligate the City to enter into a contract for the work requested herein. Further, the City reserves the right to reject any and all proposals, to reissue a revised Request for Proposals and to waive any non-material informalities or irregularities in proposals. A non-material irregularity or informality is one where no Consultant will be prejudiced if an informality or irregularity is waived. The ability to waive an informality or irregularity lies solely with the City Council upon a finding by the City Council that the waiver will not materially prejudice any Consultant.

6 CONTACTS WITH MEMBERS OF THE CITY COUNCIL. The City Council desires to make a decision which is in the best interest of the City. In order to facilitate an objective decision and to protect the integrity of the process, no Consultant or individual on behalf of a Consultant shall contact any member of the City Council to discuss the Request for Proposals.

7 DATA PRACTICES ACT. Any Proposal submitted to the City is subject to the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13.

7.1 Data submitted by a business to a government entity in response to a Request for Proposals as defined in section 16C.02, subdivision 11, are private or nonpublic until the proposals are opened. Once the proposals are opened, the name of the Consultant and the dollar amount specified in the response are read and become public. All other data in the Consultant's response to a Proposal are private or nonpublic data until completion of the selection process. For purposes of this section, "completion of the selection process" means that the government entity has completed its evaluation and has ranked the responses. After a government entity has completed the selection process, all remaining data submitted to all Consultants are public with the exception of trade secret data as defined and classified in section 13.37. A statement by a Consultant that submitted data are copyrighted or otherwise protected does not prevent public access to the data contained in the Proposal.

7.2 If all responses to a request for proposals are rejected prior to completion of the selection process, all data, other than that made public at the Proposal opening, remain private or nonpublic until a re-solicitation of proposals results in completion of the selection process or a determination is made to abandon the purchase. If the rejection occurs after the completion of the selection process, the data remain public. If a re-solicitation of proposals does not occur within one year of the Proposal opening date, the remaining data becomes public.

SECTION II. ELEMENTS OF PROPOSAL

Section II of this Request for Proposals describes the information each Proposal must contain. The format of the Proposal must follow the numeric order set out below. Each Proposal must address the following:

1 EXPERIENCE. The Consultant should describe their experience compiling, reviewing, analyzing, developing, and presenting a job classification and compensation system that meets Federal and State classification, compensation and pay equity standards for governmental clients, together with the date of

such contract, scope of work, and contract price. A Responsible Consultant is an individual or entity which has successfully managed and completed similar projects for Minnesota municipal or state agencies. Submitted Proposals shall propose a project manager for this project, project team members and include resumes of those individual's qualifications.

2 PROJECT OUTLINE. Each Consultant shall include an outline demonstrating the strategy and timeline for completion of the project. The outline shall identify the process for accomplishing completion of each component of the project.

3 SUBMISSION OF PROPOSAL AND PROPOSAL CONTENT. Each Consultant shall submit an original and five (5) copies of its Proposal, or may submit their proposal electronically. The proposal shall contain the following:

General Requirements

- a) Letter of transmittal showing the consultants name, address, telephone number and date submitted. The title sheet shall be signed by an officer of the company indicating management's approval and support of the Proposal.
- b) Name of project manager as required above.
- c) Qualifications and references as required above.
- d) Outline of Proposal demonstrating strategy for completion of the project as required above.

Time-Cost Section

e) Quote Sheet identifying proposed not-to-exceed project cost, including any and all labor, materials, fees, licenses, surcharges and sales tax during each of the following project components:

- * Compensation Policy
- * Position analysis
- * Position classification evaluation
- * Labor Market Employers Criteria & Selection
- * Compensation analysis – salaries
- * Compensation analysis - benefits
- * Classification & Compensation system structure
- * System presentation, implementation and training

4 ALL PROPOSALS MUST BE COMPLETE. Consultants must respond fully and completely to each requirement and request for information to be considered responsive to this Request for Proposal. Failure to provide information requested in this Request for Proposal shall deem the Proposal to be rejected from consideration and non-responsive.

5 INSURANCE. Consultant will be required to keep in force policies of insurance as indicated below. The Consultant shall not commence work until a Certificate of Insurance covering all of the insurance required by these specifications is approved

5.1. PROFESSIONAL LIABILITY

A. Limits

(a) \$500,000 each claim/\$1,000,000 annual aggregate

B. Must continue coverage for 2 years after final payment for service/job

5.2. GENERAL LIABILITY COVERAGE

A. Commercial General Liability

- (a) \$1,000,000 general aggregate
- (b) \$1,000,000 products - completed operations aggregate
- (c) \$1,000,000 personal injury and advertising injury
- (d) \$1,000,000 each occurrence limit

B. Claims made form of coverage is not acceptable.

C. Insurance must include:

- (a) Premises and Operations Liability
- (b) Blanket Contractual Liability including coverage for the joint negligence of the City of Caledonia, its officers, council members, agents, employees, authorized volunteers and the named insured
- (c) Personal Injury
- (d) Explosion, Collapse and Underground Coverage
- (e) Products/Completed Operations
- (f) The general aggregate must apply separately to this project/location

5.3 BUSINESS AUTOMOBILE COVERAGE

A. \$1,000,000 Combined Single Limit for Bodily Injury and Property Damage each accident

B. Must cover liability for "Any Auto" - including Owned, Non-Owned and Hired Automobile Liability

- ## **5.4. WORKERS COMPENSATION AND EMPLOYERS LIABILITY** - If required by Minnesota State Statute or any Workers Compensation Statutes of a different state. Must carry coverage for Statutory Workers Compensation and Employers Liability limit of: \$500,000 Each Accident \$500,000 Disease Policy Limit \$500,000 Disease - Each Employee

5.5 ADDITIONAL PROVISIONS

- * Additional Insured - On the General Liability Coverage and Business Automobile Coverage. City of Caledonia, and its officers, council members, agents, employees, and authorized volunteers shall be Additional Insureds.
- * Endorsement - The Additional Insured Policy endorsement must accompany the Certificate of Insurance.
- * Certificates of Insurance - A copy of the Certificate of Insurance must be on file with the City Clerk.
- * Notice - NOTE: City of Caledonia requires 30 day written notice of cancellation, nonrenewal or material change in the insurance coverage.
- * The insurance coverage required must be provided by an insurance carrier with the "Best" rating of "A-VII" or better. All carriers shall be admitted carriers in the State of Minnesota.

6 QUALIFIED AND RESPONSIBLE CONSULTANT AND RESPONSIVE PROPOSAL. In order for a Proposal to be considered, the Consultant must be found to be a Qualified and Responsible Consultant and the Consultant's Proposal must be found to be responsive to the Request for Proposals. The term "Qualified Consultant" means the Consultant has:

- a. Provided the same or similar services in a satisfactory manner. Same or similar services mean

that the consultant has satisfactorily conducted similar evaluation and analysis of position classification and compensation systems of this type and magnitude for other governmental units.

b. Demonstrated adequate managerial experience and capabilities of persons who will be responsible for project completion.

c. Each Consultant must submit three (3) references. The references must be able to attest to the Consultants experience and capabilities. The Consultant shall provide the name, address and telephone number of each reference. If the Consultant is the lowest Consultant, the City will determine through the criteria set forth herein whether Consultant is a Responsible Consultant, including references.

d. Each Consultant will have met all of the terms and conditions of this Request for Proposals.

SECTION III. SCOPE OF WORK

The work to be completed includes providing professional services with integrative support services to develop a City compensation policy, update the City's existing job classification system, analyze the City's salary ranges to ensure continuing consistency with the market, and make a recommendation, if necessary, for implementation of any recommended changes.

1. The scope of work shall include, but not be limited to, the following work products in order to meet the project goals:
 - Evaluation of existing job descriptions, including recommendations to assure compliance with ADA, FLSA, pay equity legislation, and other State and Federal requirements;
 - Evaluation and analysis of each position to determine job value with recommendations for necessary revisions to achieve internal and external pay equity;
 - Provide a salary/labor market survey including:
 - Salary details.
 - Benefit details – holidays, annual leave, sick leave, retirement, medical insurance, dental insurance, disability insurance, life insurance, deferred compensation, any other benefits.
 - Analysis of "Total Compensation Package".
 - Provide recommendations and options for a newly designed compensation system, if needed;
 - Provide a master salary structure while assuring compliance with State pay equity compensation standards;
 - Provide system testing to assure compliance with State and Federal Regulations;
 - Provide recommendations for a process for evaluating requests for reclassification and/or compensation changes;
 - Provide implementation support and maintenance training on the system;
2. Establish and provide concrete schedules for each of the components of the study;
3. Present findings and recommendations, including written and oral reports and policies at various meetings including City Council.;
4. Provide an itemized fee schedule for work included in the scope of work and a payment plan based on completion of each of the components of the study.
5. Any deviations from the RFP must be listed in the proposal

SECTION IV. QUOTE SHEET

	Consultant Hours	Total Consultant Fees	Cost of Materials, Fees, bonds, taxes, or Surcharges, if any	TOTAL NOT-TO-EXCEED COSTS	Identify any work not included in Total Cost, if any
Compensation Policy					
Position Analysis					
Position Classification Evaluation					
Labor Market Employers Criteria and Selection					
Compensation Analysis - Salaries					
Compensation Analysis - Benefits					
Classification & Compensation System & Compliance Testing					
System Presentation, Implementation & Training					

TOTAL NOT TO EXCEED COST: _____

Proposal Submitted By _____

Date _____

Signature

Printed Name _____

Company Name _____

SECTION V. EVALUATION WORKSHEET

1. Determine whether consultant is qualified consultant.

2. Determine whether complete proposal packet was submitted.

3. Determine if submitted Project Outline and Timeline are appropriate.

4. Evaluate the ability to update the study for on-going compliance.

5. Determine total consultant hours for project and amount of quote:

TOTAL "NOT TO EXCEED" QUOTE: \$ _____
(Including Consultant hours, sales tax and additional fees and/or surcharges, if any)

Number of Consultant Hours Required/Provided for Completion of Project: _____

TOTAL COST \$ _____