

**Red Wing**

**Housing & Redevelopment Authority**

Request for Proposals (RFP)

Position Classification

and

Compensation System

February 2025

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Dear Consultant,

The Red Wing Housing and Redevelopment Authority (HRA) is seeking the services of a consultant to undertake a comprehensive review of/update to its current position, classification and compensation system. Enclosed is the informational packet necessary for submission of a proposal to provide classification and compensation consulting services.

The HRA’s objective in conducting this review/update, is to select/construct an updated classification and compensation system. Interested firms are asked to submit their proposal by the stated deadline of 4:30 p.m. on March 19, 2025.

Thank you for your consideration in this matter. Please contact me at 651-301-7014, or by email at [corrine.stockwell@ci.red-wing.mn.us](mailto:corrine.stockwell@ci.red-wing.mn.us) if you have any questions regarding the enclosed information.

Sincerely,

Corrine Stockwell

Finance Director

**GENERAL INFORMATION AND CONSIDERATIONS**

1. The Red Wing Housing and Redevelopment Authority (HRA) is accepting proposals for a comprehensive review of its current position descriptions, classifications, equity, compensation and evaluation process for its full-time and part-time employees.
2. All proposals should attempt to equal the market rate for each position submitted. Any deviations should be identified in writing.
3. All proposals must comply with federal and state regulations pertaining to compensation standards, including but not limited to pay equity legislation, Americans with Disabilities Act (ADA), the Fair Labor Standards Act (FSLA) and the Minnesota Pay Equity Act.
4. Proposals are to be submitted following the enclosed “Proposal Rate Sheet” or similar format. The Proposal submitted is to be signed by a responsible officer representing the company.
5. Proposals will be accepted until 4:30 p.m. on March 19, 2025 in the office of the HRA. Proposals should be labeled “Proposal Classification and Compensation Update 2025”.

Mail to:

Red Wing HRA

Corrine Stockwell

428 W. 5th St

Red Wing, MN 55066

1. Minor revisions to the original proposals, if requested by the HRA Board, may be negotiated following the proposal deadline and prior to approval. It is anticipated the proposals and results (recommendations) will be forwarded to the Board for their consideration on April 8, 2025.
2. The HRA reserves the right to accept or reject any and all proposals. The consultation award will be based upon, but not necessarily limited to, rates, options methodology, project design, timeline, and the experience of the consultant with similar local government agencies and labor markets.

**PROJECT**

The HRA is soliciting proposals for professional services for the development and implementation of a position classification and compensation system that meets federal and state compensation standards.

**I. PROJECT BACKGROUND AND GOALS**

The HRA is located in Red Wing, MN with a population of approximately 17,000. The HRA has 15 current full-time employees (a listing of position titles is enclosed) which are subject to the State of Minnesota-Pay Equity Compliance requirements.

The current classification/compensation plan was conducted originally in February 2010 and updated in December 2019. There are 14 job classifications in the current system and 19 salary grades with seven steps to each.

Step increases are outlined in the current compensation plan. Pay ranges may be adjusted annually as a result of an across-the-board general increase (COLA) granted by the HRA Board.

The HRA is currently in compliance with pay equity requirements, and any new system would also need to meet the State of Minnesota pay equity requirements.

Throughout the last several years there have been several changes in the staff. The HRA recognizes the need to evaluate and make necessary changes, such as job performance, while creating consistency throughout.

The objective of this effort is to develop a complete evaluation and process audit to achieve a new/updated position classification and compensation system, including:

* Creating opportunity for management and/or employee input
* Identifying areas of deficit or excess
* Providing a wage/labor market survey and analysis for staff
* Ensuring regulatory compliance
* Assigning classification ranking to ensure internal pay equity
* Assigning salary grade data
* Creating a transition and implementation plan
* Evaluating the step pay system
* Providing necessary tools for HRA staff to manage the program going forward

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

**II. SCOPE OF WORK**

1. 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 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
* Provision of a wage/labor market survey for all positions and the analysis thereof as 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
* Provide recommendation on a system for determining the validity for requests for reclassification and/or compensation changes
* Evaluation for an update of the step pay system with recommendations
* Provide implementation support 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 assistance with the HRA’s next State of Minnesota pay equity report following compensation review to assure compliance.

1. Establish and provide concrete schedules for each of the above proposed developments.
2. Present findings and recommendations, including written and/or oral reports and policies at various meetings, such as employee meetings and Board meetings.
3. Propose 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:

1. References of housing agencies or other units of local government in the State of Minnesota who have implemented and/or are currently utilizing a classification and/or 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 agency, as well as a description of the services performed, implementation date and the names of the personnel from your office who worked on the projects at each agency.
2. Names and backgrounds of the personnel to be assigned to the project
3. Information stating your organization’s approach to the development of a compensation system for the Red Wing HRA. Include information and outcome documents on the job evaluation system being proposed as well as sample job descriptions, policies, procedures, and questionnaires employees will be required to complete. Also include information on how your organization will handle each aspect identified in the job description and questionnaires
4. Your approach to facilitating involvement with the development of position classification and compensation schedules
5. Concrete and reasonable timeline for the completion of each component in the process as well as implementation guidelines
6. Clearly defined timelines, proposed fees, and the scope of services to be provided during each of the following specific project components:
7. Introduction and Project Orientation
8. Position Analysis
9. Review of current position descriptions for full-time staff
10. Position Classification/Ranking/Grades/Evaluation
11. Wage/Labor Benchmarks/Market Pricing
12. System Structure Development
13. System testing for equity and fairness
14. 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
15. Training on the system maintenance and updating such as position additions and wage structure updates
16. System Implementation
17. Future assistance that can be provided

* 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
* Proposals should include a “not to exceed” lump sum fee protection
* Identify cost estimates for all aspects including potential areas in which the HRA’s staff can provide assistance resulting in cost savings to the HRA

**IV. EVALUATION AND SELECTION PROCESS**

Proposals will be screened and the top candidates selected by the HRA’s Executive Director and Finance Director. The qualifications for the top candidates will be verified and references will be checked. In reviewing proposals, the HRA will carefully weigh:

* Depth and breadth of experience and expertise, specifically in those areas most often encountered in local government operations;
* Capability to perform Position Classification and Compensation Services promptly and in a manner that permits staff to meet established deadlines and to operate in an effective and efficient manner;
* Degree of availability for quick response to inquiries that arise out of day-to-day operating questions or problems;
* Communication skills;
* Cost of services; and
* Other qualifications/criteria, as deemed appropriate by the HRA.

The HRA will require that the individual or firm selected maintain general liability, automobile, workers’ compensation, and errors and omissions insurance. The HRA will also require the selected individual or firm to indemnify the HRA and provide that they are an independent contractor servicing at the will of the HRA. Other required provisions will include the HRA’s right to terminate the agreement, at its sole discretion, upon the provision of notice.

**V. SELECTION SCHEDULE**

The HRA intends to proceed with the following tentative schedule for the selection.

Request for Proposals Distributed February 19, 2025

Proposal Due Date March 19, 2025

Staff/Personnel Committee Review April 1, 2025

HRA Board Review & Selection April 8, 2025

HRA Hires Firm April 9, 2025

**VI. SUBMITTAL REQUIREMENTS**

**Firms or individuals interested in submitting proposals shall submit a complete paper copy of the proposal, along with a proposed agreement for services and a timeline, in a sealed envelope bearing the caption “Proposal Classification and Compensation Update 2025”.**

The envelope shall be delivered and all inquiries directed to:

Corrine Stockwell

Finance Director

Red Wing HRA

428 W. 5th Street

Red Wing, MN 55066

651-301-7014

[corrine.stockwell@ci.red-wing.mn.us](mailto:corrine.stockwell@ci.red-wing.mn.us)

Proposals must be received at the above address by 4:30 p.m. on March 19, 2025. Late proposals will not be considered. All proposals will be deemed confidential and will be retained by the HRA.

The HRA Board reserves the right to reject all proposals, to request additional information concerning any proposal for purposes of clarification, to accept or negotiate any modification to any proposal following the deadline for receipt of all proposals, and to waive any irregularities if such would serve the best interests of the HRA as determined by the Board.

This request for proposal does not commit the Red Wing HRA to award a contract, pay any costs incurred in preparation of and/or travel to Red Wing to present a proposal to this request, or to procure or contract for services.

**PROPOSAL RATE SHEET**

Date of Submission

Name of Consultant Submitting Proposal

Project Breakdown with Concrete Timeline Dates

Proposal

Rates including savings extended for HRA staff assistance

Anticipated total cost of service including cost associated with each milestone component and the lump sum not to exceed protection

Outcomes including all documents that will be provided

Future help possibilities including timelines and rates

Submitted by (officer of company)

**CURRENT POSITIONS**

1. **Executive Director**
2. **Finance**
   1. Finance Director
   2. Finance/administrative Assistant
3. **Housing**
   1. Housing Director
   2. Property Manager
   3. Assistant Property Manager
   4. Housing Assistant
4. **Voucher**
   1. Voucher Manager
   2. Assistant Voucher Manager
5. **Maintenance**
   1. Maintenance Manager
   2. Maintenance Foreman
   3. Maintenance Technician
6. **Social Services**
   1. Senior Resident Service Coordinator
   2. Resident Service Coordinator