

MEETING DATE: February 8, 2018

TITLE: Authorization to execute a contract with Springsted Incorporated to assist the District in implementing the human resources plan.

RESOLUTION NUMBER: 18-011

PREPARED BY: James Wisker

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TELEPHONE: 952-641-4509

REVIEWED BY: Administrator Counsel Program Director
 Board Committee Engineer Other

WORKSHOP ACTION:

<input type="checkbox"/> Advance to Board mtg. Consent Agenda.	<input type="checkbox"/> Advance to Board meeting for discussion prior to action.
<input type="checkbox"/> Refer to a future workshop (date):_____	<input type="checkbox"/> Refer to taskforce or committee (date):_____
<input type="checkbox"/> Return to staff for additional work	<input type="checkbox"/> No further action requested
<input checked="" type="checkbox"/> Other (specify): Final Action at February 8, 2018 Board Meeting	

PURPOSE or ACTION REQUESTED:

Authorization to execute a contract with Springsted Incorporated to assist the District in implementing the August 2017 human resources plan and affirming staff authority for plan implementation.

PROJECT COST:

Fund Name and Number: Operations and Support Services (1002)
Requested Not to Exceed Project Budget: \$33,300 (\$30,900 base contract + contingency)

PROJECT HISTORY:

- October 8, 2015 – Resolution 15-005, Approval of Strategic Planning Process to Evaluate and Align MCWD Programs
- January 28, 2016 – Board Approves Strategic Framework: Vision, Mission, Goals and Values
- Feb – Dec 2016 – Program Evaluation and Strategic Realignment Discussions
- November 17, 2016 – Resolution 16-082, Authorization of Contract with Springsted to Assist MCWD in Strategic Human Resources Planning, and Designation of Board Liaisons.
- February 9, 2017 – Resolution 17-007, Approval of MCWD’s Strategic Direction and Board Direction to incorporate and implement strategically realigned priorities into:
 - Comprehensive Plan
 - Budget and Financial Plans
 - Information Technology Investment Plans
 - Human Resources Plans
- March 23, 2017 – Executive Committee Discussion of Human Resource Issues and Priorities
- June 8, 2017 – Board Resolution Directing Administrator to Bring Conclusions and Recommendations for the Human Resources Strategic Plan to the June 22, 2017 Meeting.
- July 27, 2017 – HR Plan Presentation. Board Resolution Referring Human Resources Study and Administrator’s Implementation Recommendations to the Operations and Programs Committee.
- August 24, 2017 – Board Resolution Approving Organizational Chart.

SUMMARY:

Background:

On February 9, 2017 pursuant to Resolution 17-007, the Minnehaha Creek Watershed District (MCWD) Board of Managers adopted the 2017 Strategic Alignment Plan, detailing an organizational strategy to achieve the District’s mission of protecting and improving land and water throughout the watershed.

Preceding the adoption of the 2017 Strategic Alignment Plan, and to facilitate its ultimate success, on November 17, 2016 pursuant to Resolution 16-082, the Board of Managers executed a contract with Springsted Incorporated to support staff in the development of a human resources plan.

On August 24, 2017 the Board of Managers adopted a revised organizational chart to restructure and align MCWD’s human resources in support of the organizational strategy. At Administrator Erdahl’s request, Planning and Projects Director James Wisker has assumed lead responsibility for implementing these changes.

Following a series of discussions, at the January 11, 2018 Operations and Programs Committee (OPC) staff outlined:

- An order of operations for implementing the adopted organizational chart
- A draft schedule for implementing the adopted organizational chart
- A roadmap for complementary and ongoing human resource development

February 8, 2018 Board Meeting:

**DRAFT for discussion purposes only and subject to Board approval and the availability of funds.
Resolutions are not final until approved by the Board and signed by the Board Secretary.**

At the February 8, 2018 Board Meeting, staff will request authorization to enter into a contract with Springsted Incorporated to facilitate the implementation of the adopted organizational chart.

Springsted Scope:

To implement the adopted organizational chart the District must:

- Draft or revise position descriptions
- Classify or grade positions using the adopted Systematic Analysis and Factor Evaluation (SAFE) system
- Implement position descriptions, including classification and salary range
 - Where necessary, positions will be filled through a competitive interview process

Pursuant to the attached proposal letter from Springsted, consultant services will be used to:

- Understand the goals of the adopted organizational chart, and the positions within it
- Review job descriptions drafted by MCWD
- Review SAFE classifications completed by MCWD
- Complete a compensation survey evaluating MCWD positions against the marketplace

Springsted Cost:

Staff recommends authorization to execute a contract in an amount not to exceed \$33,300

Springsted's proposal letter includes the following fee schedule:

- \$24,500 baseline project costs
- \$2,800 to evaluate and modify benchmark organizations for market comparison
- \$3,600 for potential individual follow up or appeals. (\$450 per individual x 8 potential individuals)
- \$30,900 Total Project Cost
- \$2,400 contingency. (Average of \$160 per hour for additional work out of scope x 15 hours.)
- **\$33,300 Do Not Exceed Amount**

Schedule:

Springsted has proposed a timeline of 120 days to complete the work. District staff are actively exploring opportunities to compress this schedule, and will review schedule logistics and constraints with the Board of Managers on February 8, 2018.

Staff Authority:

A series of administrative measures will be necessary in the coming weeks in order to achieve effective and expeditious implementation of the Human Resources plan. It is recommended that the Board of Managers affirm that Planning and Projects Director Wisker has the administrative authority to proceed with these implementation steps.

ATTACHMENTS:

- Springsted Scope of Services
- January 11, 2018 OPC Memo (incorporated by reference)
 - HR Plan implementation roadmap (order of operations and preliminary schedule)

RESOLUTION

RESOLUTION NUMBER: 18-011

TITLE: Authorization to enter a contract with Springsted Incorporated to assist the District in implementing the human resources plan.

- WHEREAS, pursuant to Resolution 17-007, the Minnehaha Creek Board of Managers (MCWD) established a strategic direction for the organization;
- WHEREAS, the Board of Managers directed the incorporation and implementation of strategically realigned priorities into the District's human resources;
- WHEREAS, on August 24, 2017, the Board of Managers approved an organizational chart to align the structure of MCWD's human resources with the adopted organizational strategy.
- WHEREAS, the implementation of the approved organizational chart requires position descriptions to be drafted and classified using the District adopted Systematic Analysis and Factor Evaluation system, developed by Springsted;
- WHEREAS, it is recommended that this process incorporate a comparison of MCWD positions against comparable positions in the market;
- WHEREAS, given Springsted's familiarity with the MCWD, its previously completed human resources work, and understanding of the SAFE system, District staff worked with Springsted to develop a scope of services that will assist in the implementation of the adopted organizational chart;
- WHEREAS, the Board of Managers has reviewed the scope of services and finds that the services to be provided by Springsted will facilitate the implementation of the adopted organizational chart;
- WHEREAS, at Administrator Erdahl's request, Planning and Projects Director James Wisker has assumed lead responsibility for implementing the adopted organizational chart and Human Resources plan;

NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers hereby authorizes the District Administrator to execute a contract with Springsted Incorporated for human resources planning services for an amount of \$30,900, with a not to exceed amount of \$33,300.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Board of Managers affirms that Planning and Projects Director Wisker has the responsibility and administrative authority to implement all aspects of the adopted organizational chart and Human Resources plan.

Resolution Number 18-011 was moved by Manager _____, seconded by Manager _____.
Motion to adopt the resolution ___ ayes, ___ nays, ___ abstentions. Date: _____.

Secretary Date: _____

Minnehaha Creek Watershed District
Proposed Work Plan – Classification and Compensation Study
February 5, 2018

Contact Information and Bios

Mr. TL Cox, Executive Vice President

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Mr. Cox is an Executive Vice President and Consultant specializing in classification and e-solutions. He has an extensive background in classification and compensation, information technology, program/project management, procurement, process re-engineering and organizational transformation.

Mr. Cox previously served the roles of Chief Information Officer (CIO), Director of Consulting Services and Solutions, Program Manager and Systems Administrator/Analyst for various public and private organizations including The City of Tulsa, The Waters Consulting Group, Inc. and The Chickasaw Nation Division of Commerce. As CIO for the City of Tulsa, Mr. Cox managed 142 employees and an approximately \$24M budget.

As Director of Consulting Services and Solutions for The Waters Consulting Group, Inc., Mr. Cox completed classification and compensation studies for cities, counties, special districts, non-profit organizations, and institutions of higher education. Additionally, he directed WCG's total compensation solutions, pay structure design and modification platforms and online salary and benefit surveys for various municipalities as well as the Texas Municipal League (TML), International City/County Management Association (ICMA), Pennsylvania Municipal League (PML), League of Minnesota Cities (LMC), Louisiana Municipal Association (LMA) and American Chamber of Commerce Executives (ACCE).

Education

University of Texas, Arlington, Texas; Master of Public Administration
Southeastern Oklahoma State University, Durant, Oklahoma; Bachelor of Arts, Political Science/Communication.

Ms. Rebecca Dayton, Project Manager

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Ms. Rebecca Dayton joined Springsted's Human Capital Advisors Group in the winter of 2011. She has a human resources generalist knowledge base, specializing in classification and compensation studies, performance evaluations, executive search and benefits review. Ms. Dayton has an Associate degree in Education from Salem Community College. She also has course work towards a Bachelor's degree in Business Administration from Virginia Commonwealth University and from Strayer University online college.

Ms. Jada Kent, Project Manager

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Ms. Jada Kent is a Project Manager with a background in public sector human resources and previously worked as a Project Manager for Springsted | Waters. Prior to joining Springsted, Ms. Kent served in both the Army and the Air Force National Guard, respectively, as a Public Affairs Specialist. Ms. Kent completed Bachelor of Arts degree in U.S. History, with a minor in Political Science from the University of North Texas. As an undergrad, she represented UNT in Moot Court competition and was the recipient of multiple oral litigation awards. Ms. Kent also completed a Master of Arts in Public Administration from the University of Texas at Dallas where she focused on Human Resources Management and Government Financial Management.

Ms. Jama McClung, Analyst

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Ms. Jama McClung joined Springsted's Management Consulting Group in 2010 supporting Mid-Atlantic executive search work. Her specialty focus is classification and compensation studies, performance evaluations, and benefits review. Ms. McClung has performed prior consulting support work as a Capital Project Assistant for healthcare IT financial system conversions and IT infrastructure upgrades and has served as a Public Finance Assistant supporting senior living and healthcare public finance bankers. She attended Glenville State College and is currently completing course work towards a Bachelor's degree in Business Administration.

Ms. Elizabeth Wakeman, Analyst

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Ms. Elizabeth Wakeman joined Springsted's Human Capital Advisors Group in January 2018 as a Compensation Analyst. Her specialty focus is classification and compensation studies. Ms. Wakeman has several years' experience in the private sector across a broad spectrum of organizations, including family-owned firms, third-party administrator firms and larger corporate organizations. Ms. Wakeman has held the titles of Benefits Administrator, Retirement Plan Administrator, and Payroll Specialist, and most recently, helped a private sector company create its first formal classification and compensation system. She holds a Bachelor's Degree in Business Administration from the University of Wisconsin – River Falls.

Approach

Springsted has structured this engagement to include the following phases and deliverables.

a. Project Initiation – Data Collection

- i. Kick-off materials
- ii. Initial data request
- iii. Project schedule
- iv. One onsite meeting to review current organizational structure, repositioning of positions, etc.

b. Classification Review

- i. Review of job documentation provided by the District (job descriptions, organizational charts, initial SAFE® scoring, etc.)
- ii. Preparation of **one** SAFE® job evaluation per position (i.e. either confirming the compensable factors provided by the District or, alternatively, incorporating changes and subsequent grade alignment based on review of job documentation)*

**subsequent SAFE® reviews, further discussions concerning position alignment, etc. will be billed according to the hourly schedule below*

- iii. One onsite meeting to review i and ii above
- c. Compensation Survey and Development of Pay Plan**
 - i. Development of job summaries from the District’s job descriptions
 - ii. Distribution of compensation survey to benchmark organizations utilized in the prior study
**inclusion of modified benchmark organizations (from 1-4 modified agencies) in the custom survey can be accomplished for \$2,800*
 - iii. Market comparison, including District review of individual matches (accomplished in the same onsite meeting as b above)
 - iv. Preliminary and final pay plan(s)
- d. Implementation Strategy**
 - i. Implementation costing scenarios (up to 3)
 - ii. Staff training (as necessary)
- e. Final Report**
 - i. Final executive summary report
 - ii. Concluding presentation, inclusive of one onsite meeting

Fee Schedule and Timeline

Springsted is prepared to initiate the study within one week of notification to proceed, and will complete the study within approximately 120 days following completion of the initial data request.

Springsted will perform all the tasks described above for a professional fee not to exceed \$24,500, inclusive of project-related expenses for a maximum of 3 onsite meetings. Employee appeals can be completed at \$450 per appeal.

Title	Hourly Rate
Principal & Senior Officer	\$260
Senior Professional Staff	\$215
Professional Staff	\$160
HR Analyst/Project Coordinator	\$100
Associates	\$75

Please let us know if you have any questions; we would be delighted to work with the District on another classification and compensation study.

Respectfully submitted,

