



Goodhue County

Minnesota

COMMITTEE OF THE WHOLE AGENDA

COUNTY BOARD ROOM
GOVERNMENT CENTER
RED WING, MN

FEBRUARY 7, 2022
9:45 A.M.

(OR IMMEDIATELY FOLLOWING THE COUNTY BOARD MEETING)

**PLEASE JOIN MY MEETING FROM YOUR COMPUTER, TABLET OR
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Pay Strategies - Dr. Tessia Melvin POSTPONED

Documents:

[Pay Strategies- DDA.pdf](#)

Consultant Costs.

Documents:

[Consultant Costs.pdf](#)



GOODHUE COUNTY MINNESOTA
TO EFFECTIVELY PROMOTE THE SAFETY, HEALTH, AND WELL-BEING OF OUR RESIDENTS

Committee of the Whole



DDA
Human Resources, Inc.
a David Drown Associates Company

Dr. Tessia Melvin

Leads Practice Area

Worked 15 years in city and county governments
Former city administrator

Received Doctorate in Public Administration

Kelly Jones

Project Coordination and Talent Management experience

Experienced technical analyst and compensation consultant

Bachelor of Arts degree in Psychology and his Master of Science degree in Industrial and Organizational Psychology

Our Team

Mark Goldberg

George Gmach

Roxanne Chmielecki

Melanie Ault

David Drown

David Drown Associates

Nearly 30 years of
experience working
with cities and
counties in
Minnesota

With staff having
practical experience
in the public sector,
we understand local
government

We have worked with
over 450 government
clients.

We base our business
on our clients'
needs. We expanded
to include HR to
assist our clients.

Project Scope

- ▶ 2022: Market Analysis
- ▶ 2022: Addressed some job classifications
- ▶ 2022: Recalibrated grid
- ▶ 2023: Ongoing Maintenance
 - ▶ Review 1/3 of job descriptions (87-91 and HHS)
 - ▶ Review and update job descriptions
 - ▶ Review current classifications (Jailers, Appraisers, Engineering Technicians and Nurses)
 - ▶ Market Analysis
 - ▶ Pay Equity
 - ▶ LMC Salary Data
 - ▶ HR Assistance
 - ▶ Job writing and classification
- ▶ 2024: Move out of Merit?

What we achieved from our initial Intentions

- ▶ One pay grid **(did not achieve)**
 - ▶ Currently have multiple grids (County and multiple HHS)
 - ▶ Currently pay grades differently (percentages between steps are not the same)
- ▶ **Eliminate 80.5 (fixed 7 job positions) (achieved)**
- ▶ Reduce Compression Issues **(did not achieve)**
 - ▶ **Managers are leaving positions and returning to line work due to compression of scale**

Goal for 2023



Address compression, create more grades



Try to get into one pay
grid



Address grades 87-91



Review entry level pay



Review targeted jobs

A compensation program is a structured pay plan that is used to:

- Assist in the attraction of the most qualified professionals available.
- Retain talented employees.

A pay plan is developed through:

- Job descriptions
- Pay equity of job descriptions (hierarchy of jobs)
- Market analysis of base pay
- Market definition influenced by industry, size, geographic location, and tax capacity
- Pay philosophy

Compensation/pay philosophy is set by the Board:

- Influenced by industry, size, geographic location and tax capacity
- Includes objectives and statement of where organization wants to be in relation to market

Pay Equity

- ▶ Reviews each position comp worth, does not include market data
 - ▶ Classification of Job: Determined by the job description and evaluation system
 - ▶ Compensation: Determined by market, Board and pay grid
- ▶ County must pass every three years, or loss of County Program Aid
- ▶ Can you make market adjustments?
 - ▶ One time fix, but impacts the rest of pay equity
 - ▶ Depends on male or female dominated positions

Current Classification and Compensation Systems

Haye System Classification System



County Positions under one grid/ HHS under several grids



County passes pay equity

Currently underpayment ratio is low

This fluctuates by male or female incumbents in positions (Ex. Change in County Manager)

County has some jobs that are compressed internally

Concerns with Current System continued

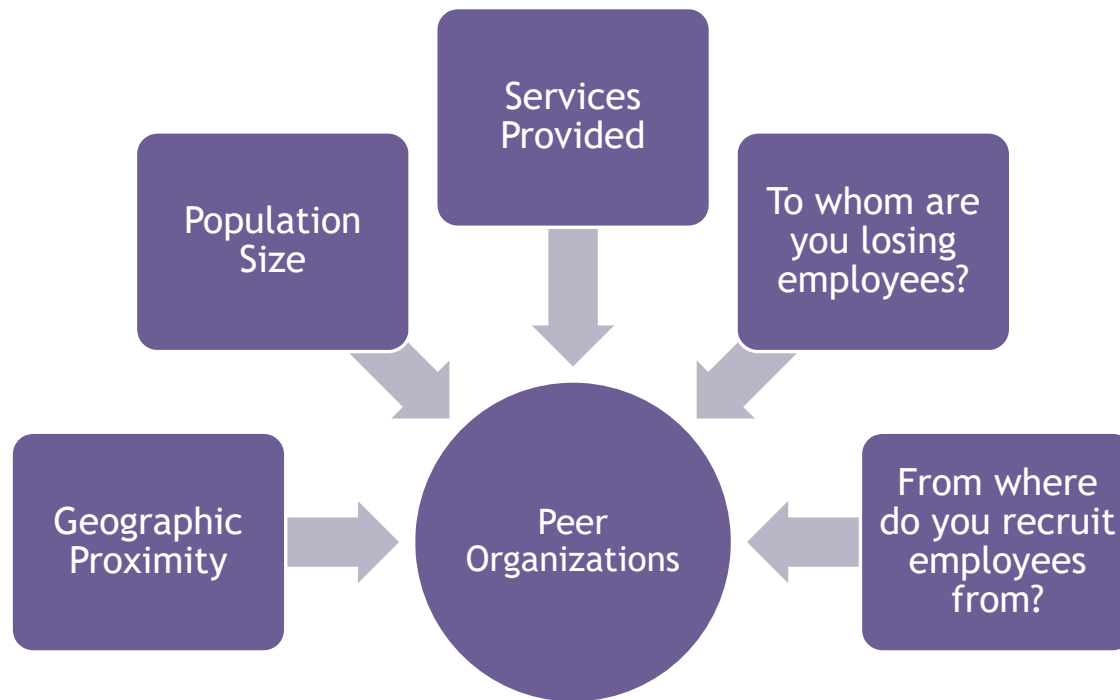
County is not fully competitive with benchmarks and industry (last pay grid adjustment impacted less than half) (ex: CDL licenses and pay)

Labor shortage

Entry level retail pay has increased to \$20-\$24 per hour

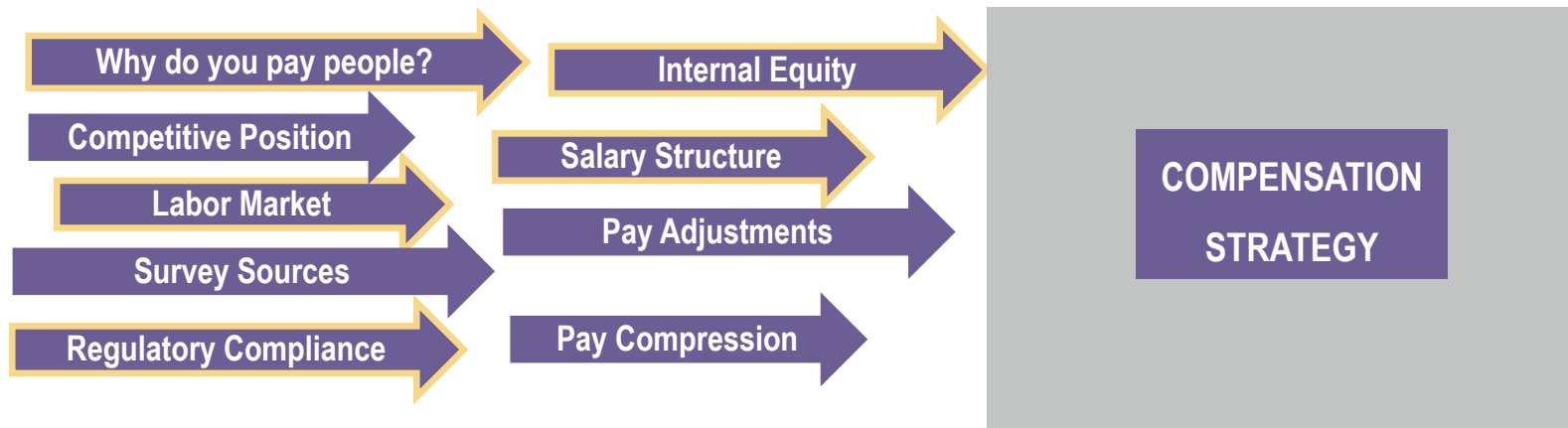
Market Analysis

- ▶ DDA has partnered with the County to select a group of cities/counties with whom they compete for talent. Here are some factors that were considered when selecting this group:



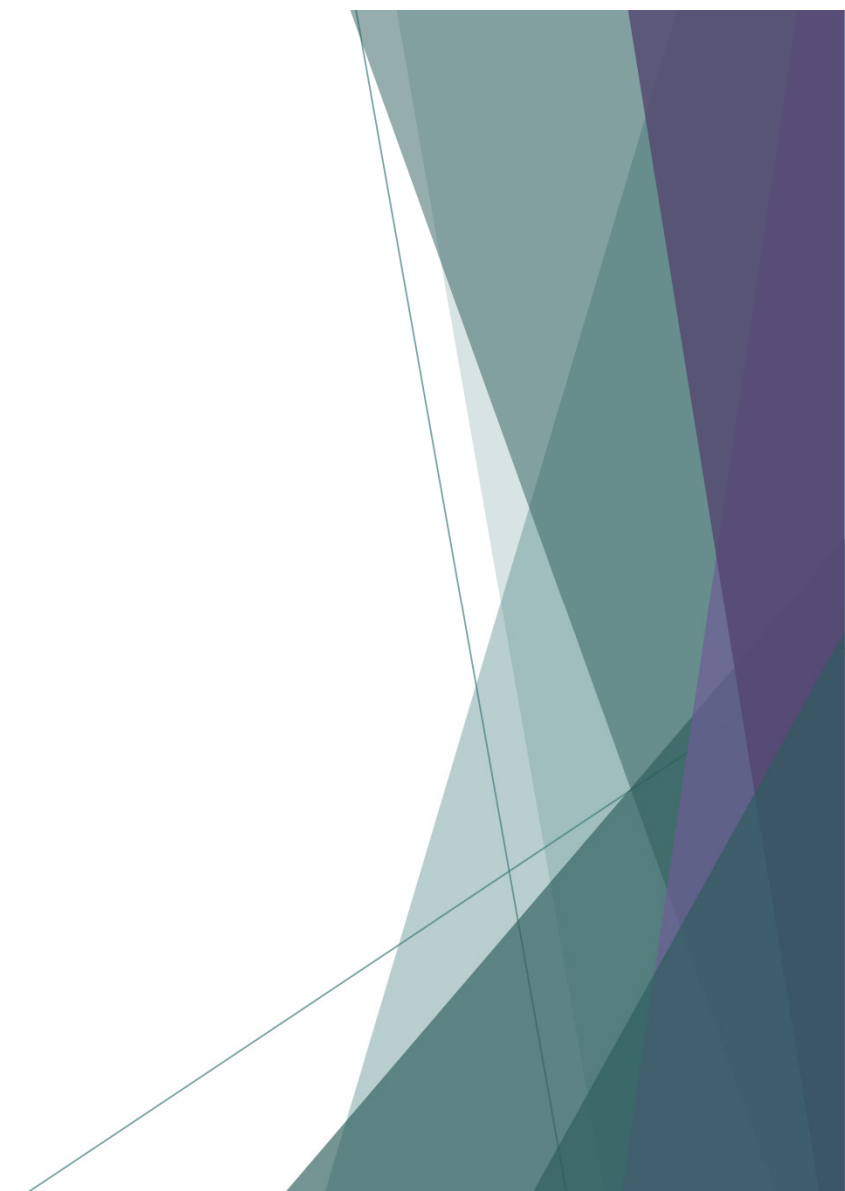
Pay Philosophy

- ▶ To achieve their goals the County must consider the following factors when designing a Pay Philosophy:



Benchmarks

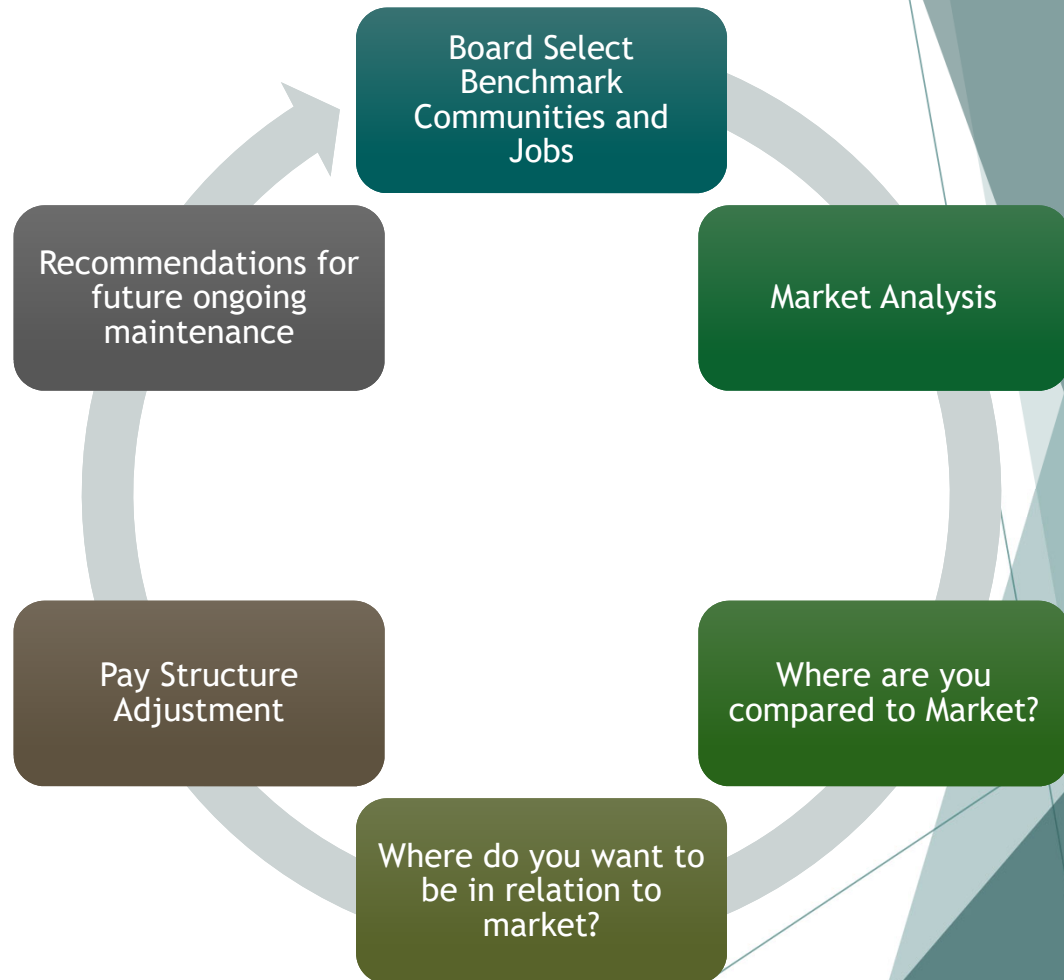
- ▶ Dodge
- ▶ Fillmore
- ▶ Freeborn
- ▶ Goodhue
- ▶ Houston
- ▶ Mower
- ▶ Olmsted
- ▶ Rice
- ▶ Steele
- ▶ Wabasha
- ▶ Winona



Concerns with Benchmarks

- ▶ Does not include some counties that border, like Dakota
- ▶ We are close for employees to drive to Metro Counties
- ▶ Should we set pay philosophy above our benchmarks
- ▶ Can you use the benchmark group, but set pay philosophy to 90th percentile, or top 1/3 of benchmark group?

Competitive Pay Analysis



Things to consider

Increase number of grades

Maintain same steps or decrease

Pay all employees the same, or maintain difference for upper management

Reduce spread between minimum and maximum rates

What is County's pay philosophy?

Example: Reduce Steps 1 and 2

	1	2	3	4	5	6	7	8	9	10	11	12
1	\$14.09	\$14.79	\$15.50	\$16.20	\$16.91	\$17.61	\$18.32	\$18.67	\$19.02	\$19.37	\$19.73	\$20.08
2	\$14.92	\$15.67	\$16.41	\$17.16	\$17.91	\$18.65	\$19.40	\$19.77	\$20.15	\$20.52	\$20.89	\$21.26
3	\$16.01	\$16.81	\$17.61	\$18.41	\$19.21	\$20.01	\$20.81	\$21.21	\$21.61	\$22.01	\$22.41	\$22.81
4	\$17.46	\$18.33	\$19.21	\$20.08	\$20.95	\$21.83	\$22.70	\$23.14	\$23.57	\$24.01	\$24.44	\$24.88
5	\$19.15	\$20.11	\$21.06	\$22.02	\$22.98	\$23.94	\$24.89	\$25.37	\$25.85	\$26.33	\$26.81	\$27.29
6	\$19.78	\$20.76	\$21.75	\$22.74	\$23.73	\$24.72	\$25.71	\$26.20	\$26.70	\$27.19	\$27.69	\$28.18

	1	2	3	4	5	6	7	8	9	10	11	12
1	\$15.50	\$16.20	\$16.91	\$17.61	\$18.32	\$18.67	\$19.02	\$19.37	\$19.73	\$20.08	\$20.68	\$21.30
2	\$16.41	\$17.16	\$17.91	\$18.65	\$19.40	\$19.77	\$20.15	\$20.52	\$20.89	\$21.26	\$21.90	\$22.56
3	\$17.61	\$18.41	\$19.21	\$20.01	\$20.81	\$21.21	\$21.61	\$22.01	\$22.41	\$22.81	\$23.50	\$24.20
4	\$19.21	\$20.08	\$20.95	\$21.83	\$22.70	\$23.14	\$23.57	\$24.01	\$24.44	\$24.88	\$25.63	\$26.40
5	\$21.06	\$22.02	\$22.98	\$23.94	\$24.89	\$25.37	\$25.85	\$26.33	\$26.81	\$27.29	\$28.11	\$28.95
6	\$21.75	\$22.74	\$23.73	\$24.72	\$25.71	\$26.20	\$26.70	\$27.19	\$27.69	\$28.18	\$29.03	\$29.90

Example: Add 5 more grades

	12											
	1	2	3	4	5	6	7	8	9	10	11	12
1	\$14.09	\$14.79	\$15.50	\$16.20	\$16.91	\$17.61	\$18.32	\$18.67	\$19.02	\$19.37	\$19.73	\$20.08
2	\$14.92	\$15.67	\$16.41	\$17.16	\$17.91	\$18.65	\$19.40	\$19.77	\$20.15	\$20.52	\$20.89	\$21.26
3	\$16.01	\$16.81	\$17.61	\$18.41	\$19.21	\$20.01	\$20.81	\$21.21	\$21.61	\$22.01	\$22.41	\$22.81
4	\$17.46	\$18.33	\$19.21	\$20.08	\$20.95	\$21.83	\$22.70	\$23.14	\$23.57	\$24.01	\$24.44	\$24.88
5	\$19.15	\$20.11	\$21.06	\$22.02	\$22.98	\$23.94	\$24.89	\$25.37	\$25.85	\$26.33	\$26.81	\$27.29
6	\$19.78	\$20.76	\$21.75	\$22.74	\$23.73	\$24.72	\$25.71	\$26.20	\$26.70	\$27.19	\$27.69	\$28.18
7	\$21.21	\$22.27	\$23.33	\$24.39	\$25.45	\$26.51	\$27.57	\$28.10	\$28.63	\$29.16	\$29.69	\$30.22
8	\$23.49	\$24.67	\$25.84	\$27.02	\$28.19	\$29.37	\$30.54	\$31.13	\$31.71	\$32.30	\$32.89	\$33.48
9	\$26.07	\$27.37	\$28.68	\$29.98	\$31.29	\$32.59	\$33.89	\$34.54	\$35.20	\$35.85	\$36.50	\$37.15
10	\$27.04	\$28.39	\$29.74	\$31.09	\$32.44	\$33.79	\$35.15	\$35.82	\$36.50	\$37.17	\$37.85	\$38.53
11	\$29.35	\$30.82	\$32.29	\$33.75	\$35.22	\$36.69	\$38.16	\$38.89	\$39.62	\$40.36	\$41.09	\$41.83
12	\$32.09	\$33.70	\$35.30	\$36.91	\$38.51	\$40.12	\$41.72	\$42.53	\$43.33	\$44.13	\$44.93	\$45.74
13	\$35.33	\$37.10	\$38.87	\$40.63	\$42.40	\$44.17	\$46.37	\$48.58	\$50.79	\$53.00	\$54.10	\$55.21
14	\$38.49	\$40.41	\$42.34	\$44.26	\$46.19	\$48.11	\$50.52	\$52.92	\$55.33	\$57.73	\$58.94	\$60.14
15	\$40.43	\$42.45	\$44.47	\$46.49	\$48.51	\$50.53	\$53.06	\$55.58	\$58.11	\$60.64	\$61.90	\$63.16
16	\$47.08	\$49.44	\$51.79	\$54.15	\$56.50	\$58.85	\$61.80	\$64.74	\$67.68	\$70.63	\$72.10	\$73.57
17	\$52.66	\$55.29	\$57.93	\$60.56	\$63.19	\$65.83	\$69.12	\$72.41	\$75.70	\$78.99	\$80.64	\$82.28

Example: Add 5 more grades

	12											
	1	2	3	4	5	6	7	8	9	10	11	12
1	\$14.09	\$14.79	\$15.50	\$16.20	\$16.91	\$17.61	\$18.32	\$18.67	\$19.02	\$19.37	\$19.73	\$20.08
2	\$14.92	\$15.67	\$16.41	\$17.16	\$17.91	\$18.65	\$19.40	\$19.77	\$20.15	\$20.52	\$20.89	\$21.26
3	\$16.01	\$16.81	\$17.61	\$18.41	\$19.21	\$20.01	\$20.81	\$21.21	\$21.61	\$22.01	\$22.41	\$22.81
4	\$17.46	\$18.33	\$19.21	\$20.08	\$20.95	\$21.83	\$22.70	\$23.14	\$23.57	\$24.01	\$24.44	\$24.88
5	\$19.15	\$20.11	\$21.06	\$22.02	\$22.98	\$23.94	\$24.89	\$25.37	\$25.85	\$26.33	\$26.81	\$27.29
6	\$19.78	\$20.76	\$21.75	\$22.74	\$23.73	\$24.72	\$25.71	\$26.20	\$26.70	\$27.19	\$27.69	\$28.18
7	\$21.21	\$22.27	\$23.33	\$24.39	\$25.45	\$26.51	\$27.57	\$28.10	\$28.63	\$29.16	\$29.69	\$30.22
8	\$23.49	\$24.67	\$25.84	\$27.02	\$28.19	\$29.37	\$30.54	\$31.13	\$31.71	\$32.30	\$32.89	\$33.48
9	\$26.07	\$27.37	\$28.68	\$29.98	\$31.29	\$32.59	\$33.89	\$34.54	\$35.20	\$35.85	\$36.50	\$37.15
10	\$27.04	\$28.39	\$29.74	\$31.09	\$32.44	\$33.79	\$35.15	\$35.82	\$36.50	\$37.17	\$37.85	\$38.53
11	\$29.35	\$30.82	\$32.29	\$33.75	\$35.22	\$36.69	\$38.16	\$38.89	\$39.62	\$40.36	\$41.09	\$41.83
12	\$30.82	\$32.36	\$33.90	\$35.44	\$36.98	\$38.52	\$40.06	\$40.83	\$41.60	\$42.38	\$43.15	\$43.92
13	\$32.09	\$33.70	\$35.30	\$36.91	\$38.51	\$40.12	\$41.72	\$42.53	\$43.33	\$44.13	\$44.93	\$45.74
14	\$35.33	\$37.10	\$38.87	\$40.63	\$42.40	\$44.17	\$46.37	\$48.58	\$50.79	\$53.00	\$54.10	\$55.21
15	\$38.49	\$40.41	\$42.34	\$44.26	\$46.19	\$48.11	\$50.52	\$52.92	\$55.33	\$57.73	\$58.94	\$60.14
16	\$40.43	\$42.45	\$44.47	\$46.49	\$48.51	\$50.53	\$53.06	\$55.58	\$58.11	\$60.64	\$61.90	\$63.16
17	\$42.45	\$44.57	\$46.69	\$48.81	\$50.94	\$53.06	\$55.71	\$58.36	\$61.02	\$63.67	\$65.00	\$66.32
18	\$47.08	\$49.44	\$51.79	\$54.15	\$56.50	\$58.85	\$61.80	\$64.74	\$67.68	\$70.63	\$72.10	\$73.57
19	\$49.44	\$51.91	\$54.38	\$56.85	\$59.33	\$61.80	\$64.89	\$67.98	\$71.07	\$74.16	\$75.70	\$77.25
20	\$52.66	\$55.29	\$57.93	\$60.56	\$63.19	\$65.83	\$69.12	\$72.41	\$75.70	\$78.99	\$80.64	\$82.28
21	\$55.82	\$58.61	\$61.40	\$64.19	\$66.99	\$69.78	\$73.27	\$76.75	\$80.24	\$83.73	\$85.48	\$87.22
22	\$57.50	\$60.37	\$63.25	\$66.12	\$69.00	\$71.87	\$75.46	\$79.06	\$82.65	\$86.24	\$88.04	\$89.84

Example: Lump sum Merit Pay for people at top step

	1	2	3	4	5	6	7	8	9	10	11	12
1	\$14.09	\$14.79	\$15.50	\$16.20	\$16.91	\$17.61	\$18.32	\$18.67	\$19.02	\$19.37	\$19.73	\$20.08
2	\$14.92	\$15.67	\$16.41	\$17.16	\$17.91	\$18.65	\$19.40	\$19.77	\$20.15	\$20.52	\$20.89	\$21.26
3	\$16.01	\$16.81	\$17.61	\$18.41	\$19.21	\$20.01	\$20.81	\$21.21	\$21.61	\$22.01	\$22.41	\$22.81
4	\$17.46	\$18.33	\$19.21	\$20.08	\$20.95	\$21.83	\$22.70	\$23.14	\$23.57	\$24.01	\$24.44	\$24.88
5	\$19.15	\$20.11	\$21.06	\$22.02	\$22.98	\$23.94	\$24.89	\$25.37	\$25.85	\$26.33	\$26.81	\$27.29
6	\$19.78	\$20.76	\$21.75	\$22.74	\$23.73	\$24.72	\$25.71	\$26.20	\$26.70	\$27.19	\$27.69	\$28.18

Once I get to top of scale in red, I am eligible for a lump sum merit increase annual based on performance. ($\$20.08 * 3\% = \$1,252$ lump sum increase)

Example: Move everyone one grade, same step

	1	2	3	4	5	6	7	8	9	10
1	\$14.09	\$14.79	\$15.50	\$16.20	\$16.91	\$17.61	\$18.32	\$18.67	\$19.02	\$19.37
2	\$14.92	\$15.67	\$16.41	\$17.16	\$17.91	\$18.65	\$19.40	\$19.77	\$20.15	\$20.52
3	\$16.01	\$16.81	\$17.61	\$18.41	\$19.21	\$20.01	\$20.81	\$21.21	\$21.61	\$22.01
4	\$17.46	\$18.33	\$19.21	\$20.08	\$20.95	\$21.83	\$22.70	\$23.14	\$23.57	\$24.01
5	\$19.15	\$20.11	\$21.06	\$22.02	\$22.98	\$23.94	\$24.89	\$25.37	\$25.85	\$26.33
6	\$19.78	\$20.76	\$21.75	\$22.74	\$23.73	\$24.72	\$25.71	\$26.20	\$26.70	\$27.19

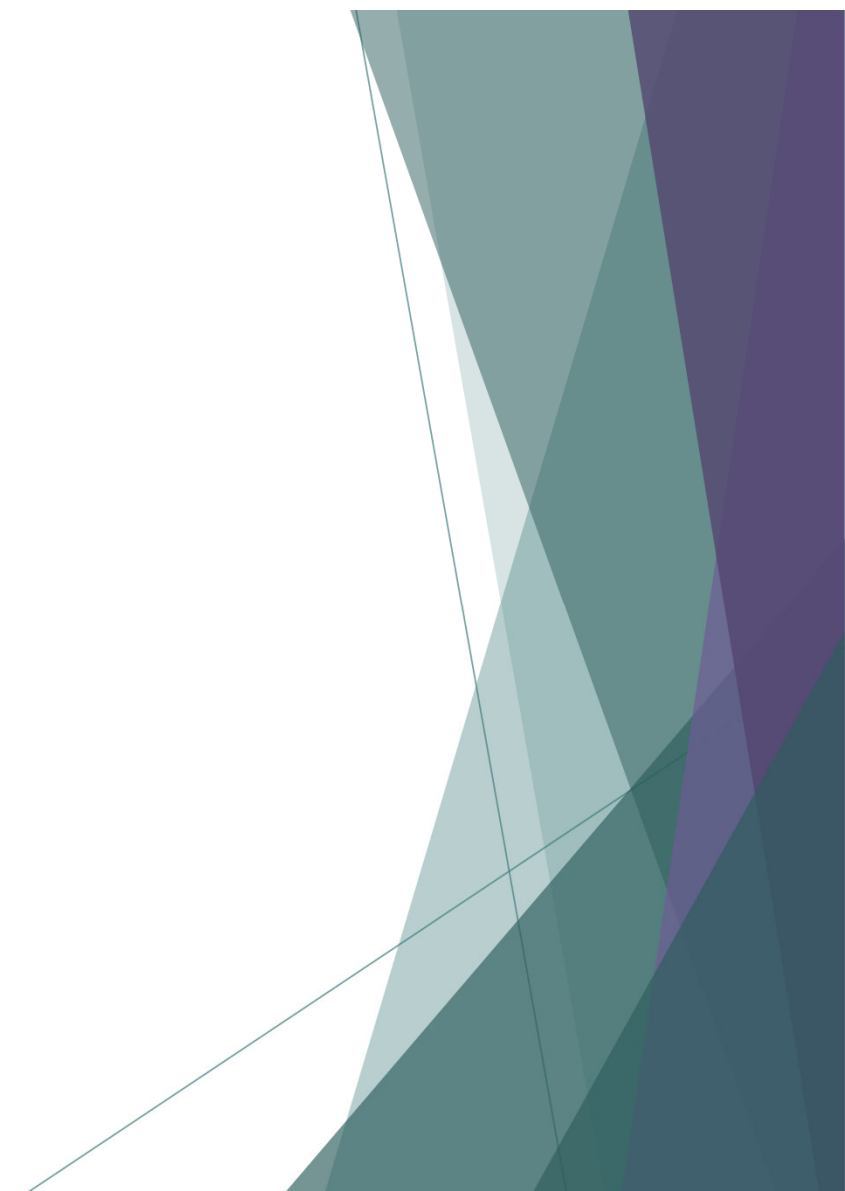
	1	2	3	4	5	6	7	8	9	10
1	\$14.92	\$15.67	\$16.41	\$17.16	\$17.91	\$18.65	\$19.40	\$19.77	\$20.15	\$20.52
2	\$16.01	\$16.81	\$17.61	\$18.41	\$19.21	\$20.01	\$20.81	\$21.21	\$21.61	\$22.01
3	\$17.46	\$18.33	\$19.21	\$20.08	\$20.95	\$21.83	\$22.70	\$23.14	\$23.57	\$24.01
4	\$19.15	\$20.11	\$21.06	\$22.02	\$22.98	\$23.94	\$24.89	\$25.37	\$25.85	\$26.33
5	\$19.78	\$20.76	\$21.75	\$22.74	\$23.73	\$24.72	\$25.71	\$26.20	\$26.70	\$27.19
6	\$21.21	\$22.27	\$23.33	\$24.39	\$25.45	\$26.51	\$27.57	\$28.10	\$28.63	\$29.16

Decisions

- ▶ Benchmark group: keep for arbitration, but weight/ tier
- ▶ Recalibrate pay grid to add more grades, reduce compression
- ▶ Set pay philosophy
- ▶ Move HHS to one grid
- ▶ Address grades 87-91
- ▶ Implementation Date



Questions



Pay Philosophy



Where does County Want to be? How do they pay employees?



Establishing comp worth both internal and external based on your market



Based on work performance



Comply with Pay Equity



Provide Transparency in communicating to employees



Greg Isakson, P.E.
Public Works Director/County Engineer
Goodhue County Public Works Department

2140 Pioneer Road
Red Wing, MN 55066
Office (651) 385-3025

TO: Honorable County Commissioners
Scott Arneson, County Administrator

FROM: Greg Isakson, Public Works Director

RE: 07 Feb 23 Committee of the Whole Meeting
Consultants and Staff

Date: 01 Feb 23

As requested, staff has prepared this presentation to discuss why Public Works uses Consultants to augment staff.



Consultants and Staff

07 Feb 23 COW

Increased Program with a Lack of Staff

- There were 5 engineering technicians 20 years ago
- There are 3 engineering technicians today (40% reduction)
- Have been trying to hire an engineering technician **since June 2020**
 - ARPA tuition free program at Southeast Vo-Tec has zero applicants
- LOST funds have increase annually
- Construction program has increased significantly
 - \$5.4 M in 2018 and \$10.1 M in 2023
 - 87 % increase in funding 6 years
 - Using 35% construction cost inflation there is a 38% increase in projects
- The Federal Bipartisan Infrastructure Law increases federal \$ to the state by 33.7%
- Potential state funding expected with the large surplus from last year



Bridge and Hydraulic Design

- Specialty expertise, need to do all the time or don't do it at all
- Few counties have this expertise in-house
- Unknown if Goodhue County every had this expertise in-house

Highway Design

- There is one full time design technician on staff
 - Mainly works on grading plans for road and bridge grading projects, and
 - Other small designs for annual maintenance projects, overlay projects, box culvert replacements, etc.
- County did this work in-house when there were more staff and fewer projects.
- WSB design for the 2 miles of 100th Ave: \$117,800
 - Over 40 staff (Geotech, Survey, Roadway, Structures, Drainage, Traffic)
- WSB design for the 4.7 miles of CSAH 2: \$236,774
- Using only existing county staff today would result in delaying future projects by years.

Right of Way Tasks

- Hire and manage appraisers
- Meet with owners of each parcel to explain the project and the R/W process
- Make offers to owners of each parcel
- Negotiate with those landowners
- Prepare easements and acquisition documents
- If needed: prepare for condemnation

Purchase Right of Way

- Cost to hire WSB on 100th Ave. with 15 parcels = \$75,844
- Just received a proposal from WSB for CSAH 2 (CSAH 5 to TH 61) with 50 parcels at \$265,276
- We do not have the capacity & expertise 'in-house' to acquire right of way on CSAH 2
- Need their services for this work if we want to deliver the project in 2024
- The County did this work in-house until we lost staff with this expertise
- Right of way duties included in the new 'Design Manager' job description
- We work with our survey office to help write right of way descriptions and help with recording easements, depending on their staff availability

Specialty Projects

- Transportation Plan
 - Gather public input by talking with various groups
 - Study changes in land use, traffic trends, volumes, highway classifications
 - Last plan was completed in 2004
- Bank Stabilization (CR 46)
- Concrete Base Stabilization for Gravel Roads (CR 23)
 - Could create a program for upgrading our gravel road system that would include this stabilization
- Problem Intersections
 - CSAH 1 (Bench St.) and 66 (Pioneer Road) in Red Wing - potential roundabout, etc.
 - CSAH 1 and CSAH 6
 - CSAH 18 and Sturgeon Lake Road - potential roundabout, traffic signal, 3rd lane, etc.
 - CSAH 11, CSAH 62 (Main St.) at the Kwik Trip in Pine Island – potential roundabout, etc.
- Other unusual issues that require specialists (who practice their specialty on a full time basis)

Construction Inspection


- Typically we have County staff available to inspect our highway and bridge projects.
 - Lost an Engr Tech just prior to construction, no other staff was available to inspect the CR 57 **federally funded** bridge
- Asked other Counties to 'borrow' an inspector – none available
- Asked MnDot to 'borrow' an inspector – none available
- Contacted Widseth (the firm that designed the bridge) – none available
- Contacted SRF (the consultant we hired for the Historic 3rd St. Bridge in Cannon Falls). – Available
- Original Cost Estimate = \$ 89,731
- Total Cost to date = \$ 43,482

County Road 57 Federal Bridge Costs and Funding

Goodhue County Public Works					
598-022 CR 57 Bridge Rplmt Project					
Design	Cost		Fed	State	County
Consultant	54,483				54,483
County	23,049				23,049
Construction Inspection					
Consultant	43,482				43,482
County	12,530				12,530
Contractor	672,625		538,100	134,525	-
Totals	806,169		538,100	134,525	133,544
% of Funding			67%	17%	17%
County Paid \$133,544 of an \$808,169 project to build a \$672,625 bridge					

Bridge Safety Inspection/Evaluation

- Hired MnDot to inspect bridges for 2022 and 2023 (~\$21,000 / year)
 - A current lack of staff has created a void in the work the department typically completes
 - **A new set of eyes inspecting our bridges**
- Their staff are full time bridge inspectors
- Fine tuned their expertise
- Have advanced inspection equipment
- Hire consultants to evaluate bridges where the inspections find an issue
 - Such as 25501



Options Other than Consultants

Plan B – Work with Other Public Entities

- Contact MnDot or other counties to see if they have staff we could borrow
 - Highway design expertise
 - Right of way acquisition
 - Construction inspection (as we tried on the CR 57 bridge)
 - Bridge Inspections

Options Other than Consultants

Plan C – Hire Staff

- First: Fill existing engineering technician opening (been looking since June 2020).
- Engineering technician with highway design experience
- Right of way acquisition expertise
 - Included in Design Manager Job Description
- ~~Specialists~~
 - ~~Bridge Design~~
 - ~~Transportation and Intersection Studies~~
 - ~~Cement Stabilization, Inslope Stabilization, etc.~~

Even with additional staff, there are special areas where will need to hire consultants