

CITY OF SPRING LAKE PARK



SERVICE PROPOSAL
October 1, 2025
DR. TESSIA MELVIN

EXECUTIVE SUMMARY

October 1, 2025

Daniel Buchholtz, City Administrator
City of Spring Lake Park

RE: Proposal for Job Classification and Compensation Services

Dear Mr. Buchholtz:

Thank you for the opportunity to submit this proposal to the City of Spring Lake Park. Based on our experience with the type of work outlined in the proposal, we are confident our experience and expertise will allow us to address your needs, goals and exceed your expectations.

Three major factors distinguish DDA Human Resources from other providers:

- All our employees come with years of public sector experience. We specialize in government, and we know first-hand the challenges of managing public sector compensation. This helps us deliver practical, workable solutions.
- We believe that classification and compensation can and should be managed as a practical, common-sense process – not as some theoretical or statistical exercise in regression analysis. We will help you design a compensation system that is technically solid and one you understand. We measure our effectiveness as a consulting firm not by studies completed, but by studies that are **actually implemented**.
- We think a compensation should be actively managed as an ongoing program – not neglected and then fixed with a major compensation study like this. With proper on-going maintenance support, major disruptive and expensive compensation studies are unnecessary. We are pioneers in providing ongoing maintenance solutions.

Our firm's goal is to be known as the best human resources consultant in Minnesota. There is only one way to get there – by delivering exceptional service. We will do our very best to earn your trust, your respect, and your future business.

Our success has been driven by utilizing staff that is experienced and well-trained in government planning, human resources, payroll, compensation systems and market analysis. We understand that each client has a specific project scope. We will customize our approach with our attention to detail, collaboration with your staff, transparent and customized communications. Our overall project approach provides efficient and effective outcomes and sets ourselves apart in our ability to value your organization.

Involvement with Personnel

Our approach to this project is to engage staff to ensure that we have an understanding of the project, each individual's role in the project, overall expectations and needs and deadlines. Throughout the project, there will be periodic meetings with staff, Project Team, Working Committee and other groups as needed to share information, solicit input and provide updates. We believe communications is important and will customize a plan that suits the organization. Your internal staff and leadership are key to truly understanding your organization and developing solutions that can be implemented.

Commitment to Meet Your Needs

We assist all our clients in implementing a solution that works. In order to do that, we will do the following for you:

- Present a clear project plan.
- Use portal technology to share and collaborate documents.
- Provide an environment that solicits and welcomes ideas and strategies from the employees and designated teams.
- Present recommendations in a clear, concise manner. We use non-technical terms and examples to gain employee buy-in.
- Respond to project team needs in a timely manner.

We have included cost for each option for up to 20 positions, as follows:

Option	Services	Total Cost Not to Exceed
1	Compensation Study/ Market Analysis	\$5,500
2	Compensation Study/ Market Analysis Amend or Establish Compensation System	\$8,000
3	Compensation Study/ Market Analysis Amend or Establish Compensation System Implementation Analysis and Strategy for Compensation	\$10,000
4	Full Classification and Compensation Study Includes everything in Option 3 in addition to re-writing job descriptions, re-classifying job descriptions and pay equity	\$14,125
5	Ongoing Maintenance	\$4,500 per year

Contents of Proposal

- Our Firm and Qualifications
 - Our Philosophy for Compensation and Classification Studies
 - Our Service Team
 - References
 - Project Plan and Timeline
 - Project Investment
 - Our Clients
 - Our Offices
-

OUR FIRM AND QUALIFICATIONS

Our parent company, David Drown Associates, Inc. has provided consulting services to over 450 units of government across Minnesota since 1997. Over these years, DDA Human Resources staff has gotten to know government well and we continually strive to keep our services practical, useful, and up to date. Our history and corporate culture have grown from an honest desire to serve public sector clients in a practical and common-sense manner. We are not your ordinary consultant. The DDA Human Resource difference is:



In addition to our work with various cities, counties and government entities, we partner with organizations that include League of Minnesota Cities, Association of Minnesota Counties (AMC) and Pay Equity. As part of our work with AMC, we provide the Technical Human Resource Program. And we have teamed up with Pay Equity to help educate entities on reporting, classifications, and compliance.

Other Services We Provide

Executive Searches

Our approach to conducting executive searches is a simple one. We want to find the best fit for your organization. This is accomplished by listening to what you are saying and building the entire search process off that foundation. We strive to gather a significant amount of background information so, when the elected body ultimately approves moving forward with the search, we will have fully encapsulated your expectations.

Organizational Analysis

Creating an organizational structure that maximizes service effectiveness is challenging. In order for the City or County to function in a lean, efficient manner, there must a structure in place to capitalize on the organization's most valuable resource – the people.

Multi-Agency Services

Cities and Counties continue to face financial challenges created by a growing list of mandates and service expectations and a contraction of available financial resources. This dilemma can sometimes be solved by creating service partnerships with other units of government. We have experience evaluating options and providing a path forward for specific services or large parts of the organization.

We approach compensation study work as a practical, common-sense process
– not as some theoretical or statistical exercise in regression analysis.

We collect information, analyze it,
and communicate our findings in simple understandable ways.

Our honest goal is to help you design a compensation system
that is technically solid, is one you actually understand,
and one that works better than what you have now.

We measure our effectiveness as a consulting firm not by studies completed,
but by studies that are **actually implemented**.

We do this through customizing your competitive pay philosophy.

DDA's proprietary compensation model incorporates the latest data on competitive market conditions with data on your organization. Using this model, we can calibrate and compare your current wage ranges with the market and provide trend lines clearly showing how your wage scales stack up. You will have the information you need to make informed decisions.



Internal Indicators

- Benefits
- Incentives
- Healthcare
- Retirement
- Vacation/ Sick time
- Work Balance
- Flexibility

External Indicators

- Benchmarks (size, tax capacity, services, etc.)
- Level of Responsibility
- Reporting Relationships
- Experience Required
- Size of Organizations
- Organizational Structure
- # of Employees Supervised

OUR PHILOSOPHY FOR COMPENSATION AND CLASSIFICATION STUDIES

Government is in the service delivery business, and quality service requires quality employees. An effective compensation system will help you attract and keep talented employees. Likewise, an out-of-date or ill-conceived compensation system will produce turnover and hamper efforts to recruit quality replacements.

In the real world of limited resources, government is increasingly expected to do more with less. Accordingly, a community's pay philosophy must strike a reasonable balance between a desire to pay your good employees well to retain their good services, while at the same time controlling costs to keep faith with the taxpayers. Designing a pay system is not easy, every community is different, and a "one size fits all" approach seldom produces a good result.

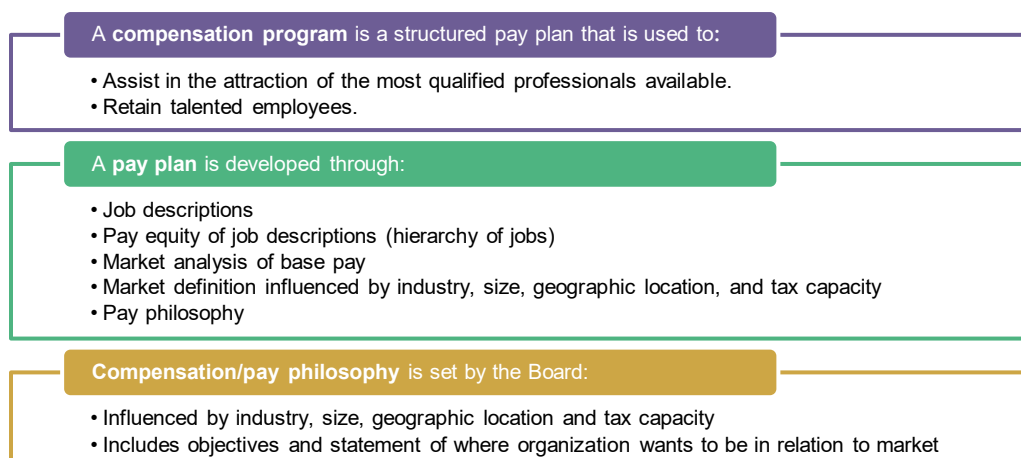
We approach compensation study work as a practical, common-sense process – not as some theoretical or statistical exercise in regression analysis. We collect information, analyze it, and communicate our findings in simple understandable ways. Our honest goal is to help you design a compensation system that is technically solid, is one you actually understand, and one that works better than what you have now.

As we work with you to build the best compensation system for your community, we keep four very practical objectives in mind:

Compensation and Benefits	Internal Equity	Positive and Transparent	Customized
• Competitive to hire, retain, and motivate qualified employees	• Satisfy MN Pay Equity Requirements	• Be open and fair to employees, managers and unions	• Establish a pay philosophy based on your organization

DDA Human Resources believes your compensation and classifications systems should be based on:

1. Updated job descriptions
2. Market Competitiveness set by a decided pay philosophy
3. Pay Equity



OUR FIRM AND QUALIFICATIONS

DDAHR maintains a staff of 10 individuals. We also maintain relationships with several independent consultants in key specialty areas. Here is the Team we have assembled for your project:

Dr. Tessia Melvin –Department Head

Tessia heads the compensation and classification (C&C) services area of DDAHR. Over the past six years, Tessia has served as lead analyst on over 65 separate C&C engagements with Minnesota communities. She brings to the position nearly 13 years of diverse service to city and county government. As a City Administrator in Maple Plain, Minnesota, Tessia drafted five-year budgets, capital improvement plans, infrastructure improvement plans, and led strategic planning program. Working in Dakota County, Minnesota, Tessia provided leadership training, managed their performance management system, and worked with compensation and benefits. Dedicated to local governments and continued learning, Tessia earned her doctorate in Public Administration.



Mark Goldberg, MA-HRR – Principal Consultant

Mark Goldberg is a Principal Consultant with the firm. Mark's experience is broad and deep. He has held a variety of compensation leadership positions in media, high tech, manufacturing, local government organizations and the University of Minnesota. In addition, Mr. Goldberg has over 6 years of experience consulting with major public sector organizations around the country with a focus on project in Minnesota such as Koochiching County, the city of Red Wing and the City of Aitkin. He has a master's degree in industrial and labor Relations from Cornell University and a bachelor's degree in human resource administration from Muhlenberg College.



David Drown – Technical Support

David is the founder and owner of DDA. David will lend his technical and statistical expertise to the team to manage the collection and analysis of market data, help calibrate your compensation plan, and calculate budget impacts. David received his undergraduate degree in civil engineering and served in local government as a registered civil engineer early in his career. He also holds an MBA in finance from the Carlson School of Management and has served as a finance and economic development consultant to numerous cities and counties across the State.

Kelly Jones – Technical Support

Kelly received his Bachelor of Arts degree in Psychology and his Master of Science degree in Industrial and Organizational Psychology from Saint Cloud State University in Saint Cloud, Minnesota. Prior to entering the field of compensation, he served as a project coordinator and talent management specialist for Sleep Number and Robert Half. Kelly has spent the last 3 years as a technical analyst and compensation consultant, while assisting dozens of Cities and Counties across the United States with their compensation and classification needs. His work will be primarily focused on data collection and analysis, while also assisting the DDA team with any ongoing project needs.

Tom Blakesley – Technical Support

Tom is the newest member of the DDA team. Prior to joining DDA, Tom worked extensively in client/customer relations. He also brings experience in working with and analyzing business data in the private sector. He will be primarily working on data collection and analysis and providing a great deal of the initial groundwork and research for classification and compensation studies.

Supporting Team Members (*Our Bench*)

Melanie Ault

Melanie Ault brings to DDAHR over 20 years of experience leading Minnesota county human resources and labor relations operations with additional experience at the city, regional, and state levels. Melanie joined DDAHR in 2017, after serving as Washington County's HR Director. You might recognize her by her passion for examining pending legislation and its ramifications for the public sector. Melanie holds BA, MAPA, and JD degrees, with further education in public administration. She is an avid supporter of professional organizations, serving on the state and national levels. She loves making new connections and looks forward to helping you find answers and ideas. Melanie is one of our AMC Human Resources Technical Assistance Program staff.

George Gmach

George has been doing classification and compensation study work in Minnesota for 30 years. He worked with the Stanton Group for 12+ years with management responsibility for salary and benefit surveys and compensation consulting. His experience has crossed multiple industries and included private, non-private and public sectors. George also worked at Employers Association and its successor for 16 years. During his career, he has designed and conducted several hundred compensation and benefit surveys and has implemented multiple compensation programs in large and small organizations across all sectors. He designed and modified job evaluation systems and implemented them in the public sector. He has worked with the Minnesota Pay Equity Statutes since their inception. In addition, he is a military veteran who served as a combat medic in Vietnam.

REFERENCES

Reference #1: City of Victoria, Minnesota

Contact: Trisha Pollock, Assistant City Manager and Finance Director
952-443-4230
tpollockl@victoriamn.gov

Contract dated: May 15, 2019 – completed October 2019, we continue to provide ongoing maintenance

Scope of Services: *This was a full-service class and comp study for a rapidly growing suburban community. We updated all job descriptions including several new job titles; classified all job titles using DDA's JET system, completed a market analysis of 14 benchmark communities (93% participation) and 5 "spotlight communities", evaluated two alternative salary plans with pay ranges calibrated at 100% of benchmark averages, and provided an implementation plan with employee-by-employee grade/step assignments and a calculation of budget impact.*

Reference #2: City of Golden Valley, MN

Contact: John Miller, HR Director
763-593-3989
ksantelices@goldenvalleymn.gov

Contract Dated: January 2020 – completed December 2020, we continue to provide ongoing maintenance

Scope of Services: *All job titles were reclassified using the JET evaluation system, and several employee challenges were reviewed and resolved. Market wage study revealed that the current pay plan wages averaged about 5% below the benchmark average. We developed a new pay plan with expanded steps, reviewed several approaches for implementation, and ultimately arrived at a plan that worked within the City's limited budget.*

Reference #3: Rochester, MN

Contact: Leena Murphy, Senior HR
507-328-2561
lmurphy@rochestermn.gov

Contract Dated: October 2021- present for ongoing maintenance

Scope of Services: *This is an example of a client engagement with a scope of services looking to maintain their current classification system. We learned a new classification system, their job positions and are able to maintain their pay philosophy, job descriptions and maintain competitive pay without having to complete an entire study.*

PROJECT PHASE

Project Orientation

The first step of the project is to review and analyze data provided by the client. This includes any existing job description, job evaluation system, policies, pay philosophies and pay strategies, current compensation model, pay equity and any other data the client has available. We will discuss strengths and weaknesses of the current compensation and classification systems and identify possible barriers to implementing and maintain change.

- Project Administration: Meeting with Project Team to develop and confirm detailed project schedule and review system history/materials.
- Define Communication Strategy: Partner with the client to design a communication strategy that combines best practices in the industry with practical applications and tools. Create necessary stakeholder teams to assist with communication (Project Team, Working Committee, etc.)
- Employee Orientation Sessions (optional): Conducted virtually, with one session recorded so any employee who is unable to attend can see the information presented.

After this review, we will meet with the client to discuss project expectations, define strategic goals and objectives, identify current challenges and discuss timeline.

Position Review

Using the client's existing job descriptions and Job Evaluation system, our team will conduct a review and analysis of the overall compensation structure with a focus on:

- Opportunities for improvement or areas of risk
- Alignment of compensation and performance with management philosophies
- Identification of current or potential pay compression, pay equity, or bargaining issues
- Identification of any ADA, FLSA and other State and Federal Requirement concerns
- Identification of job classification and industry mismatch.

We have worked with a variety of job evaluation systems and is experienced in many compensation models. This phase of the project will include meeting with leadership to understand and discuss any noted recommendations and identified challenges moving to the next phase of the project.

Labor and Market Analysis

We will work with Project Team to confirm the labor market and identify comparable organizations and gather data from various sources.

We will utilize the data that we have collected from around the state, supplemented by additional survey sources to provide updated and accurate wage information.

- If we do not have data from a particular entity selected by the City/County, we will reach out to that organization and ask them to provide us with a current roster.
- We will collect detailed wage information on *all jobs* that you have in common with these communities – not just a selected list.
- We will organize the results of this analysis using a series of graphs and charts that are designed to clearly show how your current pay ranges and wages compare to those of benchmark entities. This is the information needed to develop of a pay.

structure that balances both internal and external equity and assures compliance with State Pay Equity Compensation Standards.

Pay Grid Calibration

All compensation and market adjustment recommendations will be evaluated to calculate reliable implementation costs. We will provide 2 recommendations.

- We will provide recommendations and options for either an adjustment of your existing compensation plan, or a replacement plan that produces a better match with your compensation philosophy.
- We will fine tune the plan to establish fair and equitable compensation relationships within and outside the organization that are workable within a union and non-union environment.
- We will provide system testing to assure that any option proposed will comply with the State's pay equity standards and Federal requirements.

Implementation Cost Analysis

All compensation and market adjustment recommendations will be evaluated to calculate reliable implementation costs.

- We will outline transition options and next steps/costs.
- We will evaluate the cost/budget implications of up to two (2) alternative implementation strategies that consider your current budget constraints.

Final Documents and Systems Presentation

All documents will be reviewed with the Project Team in draft format before finalization and distribution. Final reporting will include comprehensive findings, recommendations, description of methodology, data analysis and resources to maintain classification and compensation changes.

- Quality Assurance: DDA HR conducts quality assurance reviews and provides the draft report to the County for review and feedback.
- Final Report: DDA HR discusses consolidated feedback from the County and finalizes the report and communications plan.
- Guidelines and Policies: DDA HR provides the Project Team with compensation administrative guidelines and policies aligned with the updated/new system for review.
- Two draft revisions with Project Team and in person presentation to Council and related travel time and mileage.

ADDITIONAL SERVICES

Job Classification

Job classification is a series of decisions about how a position is valued within an organization. Each factor requires a decision as to how the job under consideration will be rated using levels that are increasingly complex and of great impact, frequency, or quantity. We look at the job rather than the employee.

- Job Evaluation: DDA HR will use the existing system or new system to evaluate all jobs using the information gathered from the PDQs.
- Job Classification Appeal Process: Once jobs classifications are completed, employees and supervisors will review. If changes are needed, they will complete a Job Classification Appeal Form.
- DDA will review appeals and work with Project Team and employees to create consistent results.
- Review Fair Labor Standards Act (FLSA) Designations: DDA HR will review exempt and non-exempt designations to ensure they are appropriate for classifications and make recommended changes, where appropriate.

Job Description Re-Write

- Position Analysis Questionnaire (PAQ)- DDA will work with you to design a PAQ that reflects your needs. We have several versions to customize your needs.
- We will distribute a position analysis questionnaire (PAQ) to all employees and their supervisors, asking them to outline all the important requirements for and duties of the job.
- DDA write job descriptions in newly designed and approved job description template.
- Employees and supervisors will be asked to review the new job descriptions, and we will guide a controlled process for employees to appeal the content of descriptions before they are finalized.
- Addition job descriptions may be added to provide for internal promotional opportunities, or jobs may be consolidated to make administration easier.
- Job Description Appeal Process: Once jobs descriptions are completed, employees and supervisors will review. If changes are needed, they will complete a Job Description Appeal form.
- DDA will review appeals and work with Project Team and employees to create consistent results.

Ongoing Maintenance

This exclusive DDA Human Resources, Inc. program is designed to eliminate the need for large classification and compensation study every 4 to 6 years. Services include everything needed to keep a freshly updated compensation plan perpetually current. We find that over half of larger communities who have completed a compensation study with DDAHR have opted to convert to this management approach. Our ongoing maintenance scope generally includes a three-year commitment and includes the following services:

- We review, update and reclassify as necessary 1/3 of job descriptions annually.
- We annually update a market analysis of wages with benchmark communities and suggestion changes to pay plan as necessary to remain in tune with the market.
- For any new jobs or changed jobs, we will write and classify the position for placement in the compensation system.
- We will complete and submit a pay equity report every three years or when otherwise required.
- If desired, we will handle data input of wage data into the LMC/AMC salary system.

We will provide budget support by:

- Recommending an adjustment to your Pay Plan for the coming year based upon COLA and market factors.
- Preparing up to two (2) analysis of budget impacts of alternatives for wage adjustments.
- Making an annual presentation to the staff and/or selected group on the status of your compensation system.

PROJECT INVESTMENT

We have included cost for each option for up to 20 positions, as follows:

Option	Services	Total Cost Not to Exceed
1	Compensation Study/ Market Analysis	\$5,500
2	Compensation Study/ Market Analysis Amend or Establish Compensation System	\$8,000
3	Compensation Study/ Market Analysis Amend or Establish Compensation System Implementation Analysis and Strategy for Compensation	\$10,000
4	Full Classification and Compensation Study Includes everything in Option 3 in addition to re-writing job descriptions, re-classifying job descriptions and pay equity	\$14,125
5	Ongoing Maintenance	\$4,500 per year

Our 105 City Clients

Adrian
Aitkin
Albert Lea
Arlington
Audubon
Brainerd
Breckenridge
Breezy Point
Brooklyn Park
Browns Valley
Brownton
Byron
Caledonia
Cambridge
Cannon Falls
Canton
Clarks Grove
Cokato
Cold Spring
Crosby
Deephaven
Detroit Lakes

Dodge Center
Dundas
East Grand Forks
East Gull Lake
Eden Prairie
Edina
Eyota
Fairfax
Fridley
Gaylord
Glyndon
Golden Valley
Granite Falls
Hanover
Harmony
Hawley
Henning
Howard Lake
Janesville
Jenkins
Kasson
Lake City

Lake Crystal
Lake Elmo
Lake Park
Lakefield
Lanesboro
Lafayette
Lauderdale
Lester Prairie
Little Canada
Mahnomen
Mankato
Mantorville
Maple Grove
Mayer
Medford
Medina
Mendota Heights
Minneota
Minnetonka
Minnetrista
Mora
Mounds View

New Richland
New Ulm
Nisswa
North St. Paul
North Mankato
Norwood Young
America
Olivia
Ortonville
Paynesville
Pequot Lakes
Pierz
Pillager

Pipestone
Plymouth
Preston
Rochester
Rockville
Royalton
Sartell
Sebek
Shorewood
Slayton
Spring Valley
St. Augusta
St. Joseph

St. Paul Park
Staples
Thief River Falls
Thomsen
Victoria
Wabasha
Waconia
Wadena
Warroad
Watertown
Waverly
Willmar
Zumbrota

Our 50 County Clients

Aitkin County
Becker County
Benton County
Big Stone County
Blue Earth County
Brown County
Cass County
Chippewa County
Clay County
Cook County
Dodge County
Douglas County
Faribault County
Fillmore County
Freeborn County
Goodhue County
Houston County

Hubbard County
Itasca County
Jackson County
Kandiyohi County
Kittson County
Koochiching County
Lac Qui Parle County
Le Sueur County
Macomb County, ND
Mahnommen County
Martin County
Meeker County
Morrison County
Mower County
Murray County
Olmsted County
Pine County

Polk County
Pope County
Renville County
Rice County
Rock County
Sargent County, ND
Sherburne County
St. Louis County
Stearns County
Stevens County
Swift County
Wabasha County
Wadena County
Waseca County
Wilkin County
Yellow Medicine County

Our 36 Other Governmental Entity Clients

Brown County Soil and Water Conservation District
Carnelian Marine St. Croix Watershed District
Central MN Council on Aging
Criminal Justice Network Dakota County
Cook County Soil and Water Conservation District
Counties Providing Technology
Crow Wing County Soil and Water Conservation District
Dakota County Community Development Agency
Detroit Lakes Utilities
East Regional Development Commission
Fairview Care Center
Fillmore County Soil Water Conservation District
Headwaters Regional Development Commission
Metro I-Net
Metro Cities Group
MN County Attorney's Association
MN Prairie County Alliance
MN Multi Housing Authority
Mower County Soil/Water Conservation District
Murray County Hospital

New Ulm Utilities
NW Minnesota HRA
Pipestone HRA
Pope Douglas Solid Waste Management
Prairie Lakes Municipal Solid Waste Authority
Region 4 Mental Health
Ric Rice and Steele 911 Center
SMSC Gaming Enterprise
Sourcewell
South County Health Alliance
Southlake Minnetonka Police Department
Three Rivers Park District
Tri-Cap
Tri-County Community Corrections
Upper Valley Regional Development Center
Washington County Conservation District

Higher Education Institutions

Aims Community College
College of Florida Keys
University of Northern Colorado

Our Offices

Minneapolis	5029 Upton Avenue S, Minneapolis, MN 55410
Otsego	6954 Martin Farms Ave NE, Otsego, MN 55330
St. Paul	1887 Montreal Avenue, Saint Paul, MN 55116
Stillwater	6363 Jamaca Avenue North, Stillwater, MN 55082
Wayzata	3620 Northome Avenue, Wayzata, MN 55391