

CONTRACT SERVICES AGREEMENT

By and Between

CITY OF CARSON

and

THE SEGAL COMPANY (WESTERN STATES), INC.

**AGREEMENT FOR CONTRACT SERVICES
BETWEEN THE CITY OF CARSON AND
THE SEGAL COMPANY (WESTERN STATES), INC.**

THIS AGREEMENT FOR CONTRACT SERVICES (herein “Agreement”) is made and entered into this ____ day of _____, 2023 by and between the CITY OF CARSON, a California municipal corporation (“City”) and THE SEGAL COMPANY (WESTERN STATES), INC., a Maryland corporation (“Consultant”). City and Consultant are sometimes hereinafter individually referred to as “Party” and hereinafter collectively referred to as the “Parties.”

RECITALS

A. City has sought, by issuance of a Request for Proposals or Invitation for Bids, the performance of the services defined and described particularly in Article 1 of this Agreement.

B. Consultant, following submission of a proposal or bid for the performance of the services defined and described particularly in Article 1 of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of Carson’s Municipal Code, City has authority to enter into and execute this Agreement.

D. The Parties desire to formalize the selection of Consultant for performance of those services defined and described particularly in Article 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. SERVICES OF CONSULTANT

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, the Consultant shall provide those services specified in the “Scope of Services” attached hereto as Exhibit “A” and incorporated herein by this reference, which may be referred to herein as the “services” or “work” hereunder. As a material inducement to the City entering into this Agreement, Consultant represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Consultant covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be both of good quality as well as fit for the purpose intended. For purposes of this Agreement, the phrase “highest

professional standards” shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Consultant’s Proposal.

The Scope of Service shall include the Consultant’s scope of work or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Consultant shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

1.4 Licenses, Permits, Fees and Assessments.

Consultant shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Consultant’s performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes, penalties or interest levied, assessed or imposed against City hereunder.

1.5 Familiarity with Work.

By executing this Agreement, Consultant warrants that Consultant (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. The City agrees to supply to Consultant (either directly or through City’s agents and representatives) on a timely basis all of the data, documentation and information (e.g., current plan design and plan documents, information concerning all plan participants and beneficiaries) reasonably needed by Consultant to perform the Services (“City Information”), in a usable format. Consultant will have the right to reasonably rely on the accuracy and completeness of City Information and will have no responsibility for independently verifying or checking City Information for accuracy or completeness. City will notify Consultant promptly upon gaining knowledge of any material change to City Information. City acknowledges and agrees that Consultant shall have no liability for errors resulting from latent defects in City Information or City’s failure to notify Consultant of changes to City Information.

1.6 Care of Work.

The Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies

and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

1.7 Further Responsibilities of Parties.

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

1.8 Additional Services.

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum for the actual costs of the extra work, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to ten percent (10%) of the Contract Sum or \$25,000, whichever is less; or, in the time to perform of up to one hundred eighty (180) days, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively, must be approved by the City Council. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services. Consultant hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor. City may in its sole and absolute discretion have similar work done by other contractors. No claims for an increase in the Contract Sum or time for performance shall be valid unless the procedures established in this Section are followed.

1.9 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed **Two Hundred Seventy Thousand Dollars (\$270,000)** (the "Contract Sum"), unless additional compensation is approved pursuant to Section 1.8.

2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services, less contract retention; (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, provided that (a) time estimates are provided for the performance of sub tasks, (b) contract retention is maintained, and (c) the Contract Sum is not exceeded; or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Consultant is required to attend additional meetings to facilitate such coordination, Consultant shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate services performed by more than one person.

City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, or as provided in Section 7.3, City will use its best efforts to cause Consultant to be paid within thirty (30) days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. Review and payment by City for any invoice provided by the Consultant shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2.5 Waiver.

Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding one (1) years from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D").

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Consultant.

The following principals of Consultant ("Principals") are hereby designated as being the principals and representatives of Consultant authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Carol Mercer
(Name)

Client Relationship Manager
(Title)

<u>Mary Ann Edwards</u>	<u>Project Manager</u>
(Name)	(Title)
_____	_____
(Name)	(Title)

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. All personnel of Consultant, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Consultant without the express written approval of City. Additionally, Consultant shall utilize only competent personnel to perform services pursuant to this Agreement. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

4.2 Status of Consultant.

Consultant shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, or agents are in any manner officials, officers, employees or agents of City. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

4.3 Contract Officer.

The Contract Officer shall be Crystal Williams, Director of Human Resources, or such other person as may be designated by the City Manager. It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.4 Independent Consultant.

Neither the City nor any of its employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Consultant's employees, servants, representatives or agents, or in fixing their number,

compensation or hours of service. Consultant shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venture or a member of any joint enterprise with Consultant.

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City; except Consultant may assign its rights or delegate performance to one of its affiliates that is wholly-owned by the same parent company (The Segal Group, Inc.) and operating under the same trade name; provided that there is no change in the Principals or to the ownership structure of The Segal Group, Inc.. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of City.

ARTICLE 5. INSURANCE AND INDEMNIFICATION

5.1 Insurance Coverages.

The Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees and agents of City:

(a) General Liability Insurance (Coverage Form ISO CGL CG 00 01 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than \$1,000,000.00 per occurrence or if a general aggregate limit is used, then the general aggregate limit shall be twice the occurrence limit.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for the Consultant against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Consultant in the course of carrying out the work or services

contemplated in this Agreement, with Employer's Liability insurance coverage limits of at least \$1,000,000.00.

(c) Automotive Insurance (Coverage Form ISO CA 00 01 including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than \$1,000,000. Said policy shall include coverage for, non-owned, leased, hired cars and any automobile.

(d) Professional Liability. Professional liability insurance appropriate to the Consultant's profession, provided that the limits shall be no less than \$1,000,000 per claim and no less than \$1,000,000 general aggregate. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The insurance must be maintained for at least 3 consecutive years following the completion of Consultant's services or the termination of this Agreement. During this additional 3-year period, Consultant shall annually and upon request of the City submit written evidence of this continuous coverage.

(e) Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall include all of the requirements stated herein.

(f) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements in Exhibit "B".

(g) Broader Coverages and Higher Limits. Notwithstanding anything else herein to the contrary, if Consultant maintains broader coverages and/or higher limits than the minimums shown above, the City requires and shall be entitled to the broader coverages and/or higher limits maintained by Consultant.

5.2 General Insurance Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees and agents as additional insureds, except for workers compensation and professional liability. Any insurance maintained by City or its officers, employees or agents may apply in excess of, and not contribute with Consultant's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. Moreover, the insurance policy must specify that where the primary insured does not satisfy the self-insured retention, any additional insured may satisfy the self-insured retention.

All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice to the City. In the event any of said policies of insurance are cancelled, the Consultant shall, prior to the cancellation date, submit new evidence of insurance in conformance with Section 5.1 to the Contract Officer.

No work or services under this Agreement shall commence until the Consultant has provided the City with Certificates of Insurance and additional insured endorsement forms

evidencing the above insurance coverages and said Certificates of Insurance are approved by the City.. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to City.

All certificates shall name the City as additional insured, except for workers compensation and professional liability (providing the appropriate endorsement) and shall conform to the following “cancellation” notice:

CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATED THEREOF, THE ISSUING COMPANY SHALL MAIL THIRTY (30)-DAY ADVANCE WRITTEN NOTICE TO CERTIFICATE HOLDER NAMED HEREIN.

[to be initialed]

Consultant Initials

City, its respective elected and appointed officers, directors, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities Consultant performs; products and completed operations of Consultant; premises owned, occupied or used by Consultant; or any automobiles, leased, hired or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City, and their respective elected and appointed officers, officials, employees or volunteers. Consultant’s insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer’s liability.

Any deductibles or self-insured retentions are the responsibility of Consultant. The Consultant may procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims. The Consultant agrees that the requirement to provide insurance shall not be construed as limiting in any way the extent to which the Consultant may be held responsible for the payment of damages to any persons or property resulting from the Consultant’s activities or the activities of any person or persons for which the Consultant is otherwise responsible nor shall it limit the Consultant’s indemnification liabilities as provided in Section 5.3.

In the event the Consultant subcontracts any portion of the work in compliance with Section 4.5 of this Agreement, the contract between the Consultant and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Consultant is required to maintain pursuant to Section 5.1, and such certificates and endorsements shall be provided to City.

5.3 Indemnification.

To the full extent permitted by law, Consultant agrees to indemnify, defend and hold harmless the City, its officers, employees and agents (“Indemnified Parties”) against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative,

arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “claims or liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Consultant, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Consultant is legally liable (“indemnitors”), or arising from Consultant’s or indemnitors’ reckless or willful misconduct, or arising from Consultant’s or indemnitors’ negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

(a) Consultant will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys’ fees incurred in connection therewith;

(b) Consultant will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Consultant hereunder; and Consultant agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Consultant for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Consultant hereunder, Consultant agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, documented legal costs and reasonable attorneys’ fees.

Consultant shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Consultant shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Consultant in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City’s sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City’s negligence, except that design professionals’ indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Consultant and shall survive termination of this Agreement.

5.4 Sufficiency of Insurer.

Insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated “A-” or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City (“Risk

Manager”) due to unique circumstances. If this Agreement continues for more than 3 years duration, or in the event the risk manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Consultant agrees that the minimum limits of the insurance policies may be changed accordingly upon receipt of written notice from the Risk Manager.

ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records.

Consultant shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the “books and records”), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records upon reasonable notice and during normal business hours of Consultant, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. Notwithstanding the above, the Consultant shall fully cooperate with the City in providing access to the books and records if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.

6.2 Reports.

Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Consultant hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Consultant is providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.3 Ownership of Documents.

City Information is and will remain the sole and exclusive property of City. City acknowledges that, in providing the Services, Consultant will distribute or make available certain proprietary materials (“Consultant’s Proprietary Information”), including, but not limited to, publications, software, know-how, techniques, methodologies and report formats. Except to the extent that they are or incorporate Consultant’s Proprietary Information, all documents, data, and other tangible materials authored or prepared and delivered by Consultant to City under the terms of this Agreement (collectively, the “Deliverables”), are the sole and exclusive property of City,

once paid for by City. To the extent that Consultant's Proprietary Information is incorporated into such Deliverables, City will have a perpetual, fully paid, non-exclusive, non-transferable and non-sublicensable right to use, copy, and modify Consultant's Proprietary Information as part of the Deliverables internally and for their intended purpose. Consultant will not have any responsibility or liability for use of any Deliverable in any manner other than for the intended purpose.

6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer. Consultant is authorized to use City Information for internal purposes and may aggregate City Information with other data collected by Consultant and distribute such data, or analysis of such data, to third parties, provided such distributed data does not identify City or any City participants or beneficiaries. Further, Consultant is expressly authorized to include City's name and logo/trademark in a list of representative Cities for marketing and/or sales purposes. For the avoidance of doubt, Consultant will not sell or otherwise receive remuneration for City Information or materials derived from City Information.

(b) Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena, unless prohibited by law from notifying City of such obligation.

(c) If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Consultant's conduct.

(d) Unless prohibited by law, Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.

7.2 Disputes; Default.

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Consultant's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

7.3 Retention of Funds.

Consultant hereby authorizes City to deduct from any amount payable to Consultant (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Consultant's negligent acts or omissions in performing or failing to perform Consultant's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement.

Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Consultant shall file a statutory claim pursuant to Government Code Sections 905 et. seq. and 910 et. seq., in order to pursue a legal action under this Agreement.

7.7 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Consultant, except that where termination is due to the fault of the Consultant, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Consultant reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Consultant may determine. Upon receipt of any notice of termination, Consultant shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. The Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.8 Termination for Default of Consultant.

If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such

damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

7.9 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, that it knows or reasonably should know would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects her/his financial interest or the financial interest of any corporation, partnership or association in which (s)he is, directly or indirectly, interested, in violation of any State statute or regulation. The Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

8.3 Covenant Against Discrimination.

Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class in the performance of

this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class.

8.4 Unauthorized Aliens.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer (with her/his name and City title), City of Carson, 701 East Carson, Carson, California 90745 and in the case of the Consultant, to the person(s) at the address designated on the execution page of this Agreement, with a copy to: General Counsel, The Segal Group, 333 West 34th Street, New York, NY 10001-2402, Contract_Notice@segalco.com. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Counterparts.

This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, whether the signatures are originals, electronic, facsimiles or digital. All such counterparts shall together constitute but one and the same Agreement.

9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between

the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Warranty & Representation of Non-Collusion.

No official, officer, or employee of City has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of City participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interests found to be "remote" or "non-interests" pursuant to Government Code Sections 1091 or 1091.5. Consultant warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Consultant further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Consultant is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Consultant's Authorized Initials _____

9.7 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY:

CITY OF CARSON, a municipal corporation

Lula Davis-Holmes, Mayor

ATTEST:

Dr. Khaleah K. Bradshaw, City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

Sunny K. Soltani, City Attorney
[brj]

CONSULTANT:

THE SEGAL COMPANY (WESTERN STATES),
INC., a Maryland corporation

By: _____
Name: Carol Mercer
Title: Vice President

By: _____
Name: _____
Title: _____
Address: 1501 West Fountainhead Pkwy.
Suite 370
Tempe, AZ 85282

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2023 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/>	INDIVIDUAL	
<input type="checkbox"/>	CORPORATE OFFICER	
<input type="checkbox"/>	<div>TITLE(S) PARTNER(S) <input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL</div>	<div>TITLE OR TYPE OF DOCUMENT</div>
<input type="checkbox"/>	ATTORNEY-IN-FACT	
<input type="checkbox"/>	TRUSTEE(S)	
<input type="checkbox"/>	GUARDIAN/CONSERVATOR	<div>NUMBER OF PAGES</div>
<input type="checkbox"/>	OTHER _____	
SIGNER IS REPRESENTING: (NAME OF PERSON(S) OR ENTITY(IES)) _____ _____		<div>DATE OF DOCUMENT</div>
		<div>SIGNER(S) OTHER THAN NAMED ABOVE</div>

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2023 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

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<input type="checkbox"/>	ATTORNEY-IN-FACT	
<input type="checkbox"/>	TRUSTEE(S)	
<input type="checkbox"/>	GUARDIAN/CONSERVATOR	<div>NUMBER OF PAGES</div>
<input type="checkbox"/>	OTHER _____	
SIGNER IS REPRESENTING: (NAME OF PERSON(S) OR ENTITY(IES)) _____ _____		<div>DATE OF DOCUMENT</div>
		<div>SIGNER(S) OTHER THAN NAMED ABOVE</div>

EXHIBIT “A”
SCOPE OF SERVICES

I. Consultant will perform the following Services:

A. General: Perform a class compensation study to analyze all full-time and part-time City employment position classifications and to include a salary schedule. The objective of the class compensation study is to ensure that the City is providing reasonable, fair, and competitive compensation to its employees and to properly allocate positions/classifications which have evolved and changed to meet the City’s needs.

B. The scope of the study will include:

1. Develop a classification structure that reflects the City's overall classification and compensation strategy and includes a clear definition of terms and the development of career ladders for full-time and part-time employees.
2. Develop class specifications (job descriptions) that reflect current duties and requirements of the positions, to include physical requirements and essential job functions.
3. Conduct a total compensation analysis with accurate assessment on how the City’s compensation plan compares with comparable cities and including employer costs for all benefits.
4. Recommend appropriate classifications for each employee and identify discrepancies between existing classifications.

C. Consultant’s work plan for this project will include the following steps and sub-steps, as more particularly detailed in Consultant’s proposal submitted in response to City’s Request for Proposals (RFP No. 22-030) (the “Proposal”):

1. Step 1: Project Initiation

(a) Conduct initial meeting. Consultant will meet via video conference with the City’s Project Team (which will consist of staff designated/determined by City) and any other key advisors to the project. The purpose of the meeting is to:

- (i) Confirm the goals and objectives of the study;
- (ii) Discuss the City’s current compensation and classification structures, as well as the reasons for the project;
- (iii) Finalize the timeline and specific dates for deliverables (except as otherwise provided in Exhibit “D”);

- (iv) Clarify Consultant's and City's roles in each project phase;
- (v) Clarify the bargaining units' roles in each project phase;
- (vi) Establish parameters and protocols for keeping the City's Project Team updated and informed;
- (vii) Identify data or information needed to support the overall assignment.

This meeting will help identify a clear project strategy that will facilitate a smooth and effective working relationship resulting in a successful outcome for the City.

(b) Conduct stakeholder interviews, orientation and briefing session(s).

In addition to the initial meeting with the City's Project Team, Consultant will conduct confidential one-on-one interviews and briefing session(s) with key stakeholders, such as all department heads, managers, supervisors, union representatives and other senior staff. The purpose of these interviews and briefing session(s) is to understand the perspective and needs of senior managers, including their opinions regarding the effectiveness of the current compensation and classification policies with regard to meeting their operational needs and staffing requirements.

These one-on-one discussions are intended to help provide an understanding of the advantages and shortcomings of the City's current human resources policies, as well as to assist Consultant with developing revised policies that the City's workforce are likely to be receptive of. Individual interviews allow for flexibility in scheduling and encourage open and frank discussions about sensitive matters regarding leadership's expectations, frustrations, and suggestions for improvement.

(c) Develop employee communication plan. Employee communication is crucial to the success of any change to the classification and compensation systems, and is therefore a critical component of the project. The look and feel of the communications activities must fit well with the City and be consistent with the project objectives. Consultant will work closely with the City to ensure that communication activities meet both of these criteria.

Strategic planning is the most important part of the communication process. To develop a communication plan, Consultant will begin by identifying and gaining consensus on:

- (i) Preferred communication vehicles, including existing ones, to support this effort;
- (ii) Specific stakeholder audiences that need to be targeted;
- (iii) Key messages that need to be conveyed to the workforce;
- (iv) Logistics (e.g., time line, responsibility, implementation strategy, etc.).

To ensure that all stakeholders understand the content and structure of the project, Consultant will utilize some or all of the following communications tools:

- (i) Internal e-mail address and voicemail box that employees may use to ask questions regarding the project;
- (ii) Frequently asked questions (and answers) to be posted on the City's intranet site or distributed directly to employees;
- (iii) Periodic project updates to be posted on the City's intranet site or distributed directly to employees;
- (iv) Talking points and summary presentations to key stakeholders.

2. **Step 2: Classification Analysis** (to analyze the City's existing classification structure and recommend changes). Consultant will perform the following sub-steps:

- (a) Develop a job description questionnaire. Consultant will develop a customized questionnaire reflecting the needs of the City and the direction of the City's Project Team. The information elicited from employees and supervisors in the Job Description Questionnaire (JDQ) will provide the basis for job series distinctions, internal equity determinations, development of job descriptions, and FLSA determinations. While Consultant will customize its JDQs to the specific project, Consultant anticipates that the JDQ will include questions concerning the subjects set forth in the Proposal at pp. 23-24. Consultant will use the information collected through the JDQs and employee interviews to develop recommended changes to the classification structure and job descriptions, as well as to define the differences among jobs for internal equity alignment. It is important that the City's Project Team carefully review the questions and content of the draft JDQ to determine whether it meets their expectations for these outcomes.

- (b) Conduct employee presentations. Once the JDQ content is finalized, Consultant will conduct employee presentations to introduce the project and to explain the JDQ process. This will include explaining the project objectives and answering questions so that employees' expectations are managed. These will be conducted and will allow for flexibility via Zoom or Teams. This will allow employees to ask questions in "real-time". Additionally, City may record the presentation and post the presentation on the City's intranet for those employees who are unable to participate in the initial presentation. Employees will be able to submit questions to Consultant via email. The presentation generally requires 1 hour of time, without questions.

At this stage of the project, Consultant will be available to assist with developing (i) an employee presentation that introduces the project, describes the project plan and methodology, (ii) an initial City-wide announcement about the project, (iii) a Frequently Asked Questions document to be shared with all employees and posted on the City's intranet site (which will be updated throughout the project), and (iv) talking points for department directors and other managers to help them address questions from their employees.

- (c) Job Analysis. Once the JDQs have been submitted to Consultant, Consultant will analyze the City's jobs. Consultant will review each JDQ within a job title and series and document distinguishing characteristics that define a particular job title within the job family.
- (d) Conduct employee interviews. After Consultant has received and analyzed the completed JDQs, Consultant will conduct employee meetings with manager, or employee focus groups, where necessary to (i) validate and clarify information contained in the JDQs, (ii) understand employees' views on the key distinguishing characteristics among jobs, or (iii) provide an opportunity for employees to voice their opinions and perceptions of the current classification structure. Most interviews are anticipated to be conducted on a group basis, with employees in the same job series. However, single-incumbent jobs or highly specialized functions may require one-on-one interviews. The interviews are anticipated to take place on two (2) consecutive dates via video conference.
- (e) Develop and document a recommended classification structure. As the job analysis progresses, Consultant will develop and document a recommended job classification structure for the City. This structure will contain at least the following: (i) List of job titles, with titling guidelines; (ii) Recommended minimum qualifications and requirements associated with each job title; Distinguishing characteristics among jobs within a job family or career path. The

outcome will be a recommended classification architecture that clearly defines and documents all classifications to facilitate both internal equity and external market comparisons.

- (f) Recommend individual position assignments to classifications. Once the revised classification structure has been reviewed and finalized, Consultant will recommend placement of each employee within the structure, based on information collected from the JDQs and the interviews. Consultant will identify the most appropriate match between a position's individual responsibilities and the job responsibilities described in the classification architecture. The outcome will be a spreadsheet (based on payroll information provided by the City's Human Resources staff) that identifies each position, the incumbent employee, his/her current classification title, and Consultant's recommended classification assignment.
- (g) Conduct FLSA exemption analysis. Consultant will assist the City to determine the appropriate exemption status of each classification under the Fair Labor Standards Act (FLSA) overtime regulations using the U.S. Department of Labor (DOL)'s guidance. The JDQ will contain targeted questions to gather detailed information on job duties that the DOL has identified as key determinants of exemption status for white collar jobs. Using this information, Consultant will apply the DOL's "duties" tests and provide guidance to the City regarding: (i) Whether jobs should be classified as Exempt or Non-Exempt; and (ii) If a job is Exempt, which test is applicable (Executive, Administrative, Learned Professional, Creative Professional, or Computer Professional).

Consultant's final report will contain information on: (i) Each job's current exemption status; Consultant's recommended exemption status; (iii) the applicable test(s) for those positions Consultant believes are exempt from the overtime regulations; and (iv) the rationale for Consultant's recommendations. However, Consultant's recommendations regarding FLSA exemptions do not constitute a legal opinion, as Consultant does not provide legal advice to its clients.

- (h) Develop recommendations for career ladders. Based on the results of the job evaluation analysis and the market study, Consultant will develop recommended career ladders within selected occupational categories. The goal of this work will be to identify and describe appropriate hierarchical job levels within a specific function that would provide promotional opportunities for employees. Consultant's review will provide information regarding:
 - (i) How the positions are currently organized;

- (ii) The current or desired differences in responsibility or work content within a job series;
- (iii) How career levels are (or should be) defined;
- (iv) The current and desired prerequisites or requirements associated with each level, such as formal education, on-the-job training, attainment of licensing or certifications, demonstration of skill development (such as testing), etc.;
- (v) Similarity or differences among other job series or occupations within or across departments.

Using all of the information collected and evaluated, Consultant will then prepare options and preliminary recommendations for each job series regarding:

- (i) Proposed number of levels within each job series;
- (ii) Distinctions between the job levels (responsibilities and job content);
- (iii) Prerequisites or requirements associated with eligibility for each level in the series;
- (iv) Measurements or methods used to demonstrate attainment of the requirements for each level;
- (v) Suggested rewards or recognition associated with each job level attainment, such as pay grade advancement or other remuneration.

Consultant's recommendations related to methods for demonstrating skills will be based on information gathered during the JDQ review and interviews, as well as Consultant's knowledge of the occupation and experience with its other clients.

- (i) Apply Segal Evaluator™ approach (internal equity). Consultant will use its Segal Evaluator™ approach to measure the specific compensable factors set forth on p. 29 of the Proposal regarding the characteristics about jobs such as minimum qualifications and knowledge, skill, and ability requirements that will be used to establish the City's internal relationships.

Based on information collected through the JDQ process and employee interviews, values for each compensable factor will be determined and a total score will be calculated for each position. The total score for each job title creates a final hierarchy that reflects

both sound compensation practices and the City's collective organizational values. It is intended that this hierarchy will establish relative internal equity and that the compensation structure will be driven by market comparisons.

The outcome will be a spreadsheet that shows all job titles and Consultant's recommended pay grade level. The City can adapt, modify, and change this spreadsheet in the future as jobs are added, removed, or changed. Unless otherwise agreed to, it will be the responsibility of City Human Resources staff to vet job evaluation scores with each respective department.

Upon completion of the project, Consultant will provide the City with its Segal Evaluator™ job evaluation tool (in Excel format), at no additional cost. The City may continue to use the tool to adapt, modify, and change in the future as jobs are added, removed, or changed.

- (j) Update job descriptions. Consultant will prepare updated job descriptions to uniformly include, but are not limited to, the following:
 - (i) A definition of the job classification;
 - (ii) A complete description of the essential job functions;
 - (iii) Requirements of education, experience, knowledge, skills and abilities;
 - (iv) Supervision exercised and received with definition of lead or supervisory roles;
 - (v) Working conditions (physical demands, work environment, and travel requirements);
 - (vi) Licenses, certifications, driving requirements and physical requirements in compliance with the American with Disabilities Act (ADA);
 - (vii) Appropriate exempt and non-exempt designation under the FLSA;
 - (viii) Incorporate any recent changes to state and federal laws that impact classification, compensation, and public employment into any applicable job classifications.

Consultant will work to determine whether City wishes to maintain or modify the current format. Once City staff has approved the basic

format, Consultant will then update the current job descriptions for all job titles using the information in the JDQ and employee interviews. Consultant will develop new specifications for any new classes that have been added to the structure because of the classification analysis. Consultant will deliver draft job descriptions in Microsoft Word format so that City staff can review and edit the documents easily.

3. **Step 3: Conduct a Total Compensation Market Assessment** to provide the City with an accurate assessment of how its compensation plan compares with the selected comparable cities. The total compensation analysis shall include the employer cost for all supplemental benefits including but not limited to base salary, certification pay, longevity pay, education incentives, auto allowance, insurance premium contributions for all benefits, and leave benefits. To conduct a valid, reliable and useful market study, Consultant will perform the following steps:
 - (a) Develop a market study methodology. Consultant will work with the City's Project Team to gain consensus on the overall goals and strategy regarding total compensation, including the market study, and to clarify and finalize the market study methodology. Consultant's goal is to have a common understanding of the various options for conducting the market study, as well as an understanding of the implications on subsequent design of new salary structures and pay policies. This understanding will allow Consultant to develop and conduct a market study that is consistent with the City's compensation goals and will support the City's expectations. If desired by the City's Project Team, Consultant will conduct a custom-designed survey targeted to City's public sector peer employers, while using published sources to represent private sector pay data.
 - (b) Identify benchmark job titles. The project covers approximately 311 job classification titles. Consultant will recommend a list of benchmark job titles to include in the market study. Consultant's goal will be to identify a list of jobs that:
 - (i) Capture a broad array of occupational groups, departments, and pay levels throughout the City;
 - (ii) Are readily found and matched within public sector organizations and the private sector (as applicable); and
 - (iii) Cover a large proportion of the City's workforce (at least 50%).

- (c) Identify comparable employers and other data sources. Consultant will then work with the City's Project Team determine the comparable employers to include in the study. These employers are anticipated to include public sector entities that are geographically proximate to the City and are likely to have matching jobs, including neighboring cities such as Torrance, Long Beach, Redondo Beach, Compton, Norwalk, Downey. In addition, it might also include public sector employers outside of the immediate commuting area, but that are similar to the City in terms of size, scope, population, or other characteristics.

Consultant will discuss its proposed list with the City's Project Team and make modifications as necessary. The custom market study will be distributed to up to 12 public sector entities and use up to three (3) published sources to represent private sector pay data. If City wishes to include private sector data in this study, Consultant will draw on data contained in nationally recognized published data sources, such as CompAnalyst, PayScale, and Economic Research Institute (ERI). Consultant will identify specific sources appropriate to the City once the project is underway.

- (d) Collect and analyze the market data.

Consultant will design a survey instrument for collecting the market information, which Consultant will develop in MS Excel. The types of information Consultant anticipates collecting are set forth on pp. 36-37 of the Proposal.

Consultant will also draft brief job summaries for each benchmark title based on the results of the classification analysis based on current job descriptions to assist the survey participants with matching jobs consistently and appropriately.

Once the City's Project Team has reviewed and approved the survey document, Consultant will distribute it to the approved group of comparable employers. Consultant will make many efforts to achieve the goal of 100% participation from each invited employer.

Respondents will return completed surveys and supplementary materials directly to Consultant. Consultant will review and validate each survey response for completeness and reasonability, and then follow up with survey participants as necessary to clarify any incomplete or inconsistent responses. Based on discussion with the City's Project Team, Consultant will determine the appropriate weighting for the public data sources and the private data from published data sources. Options can include equal weighting for the salary data (50% for public data and 50% for private data) or if the

number of benchmark matches from published data sources is not consistent for each benchmark job title, the City may consider weighing the public sector data higher than the private sector data.

To analyze the data, Consultant will develop a compensation benchmarking tool in MS Excel that will become the property of the City at the completion of the project. Consultant will also include any private sector data from published data sources, as applicable. The Excel model will have the functionality to apply the adjustments needed to ensure consistent market comparisons.

In addition, the Excel model will include numerous tables and charts that show the City's market position in a variety of detailed and summary formats. Consultant will analyze the survey data to determine the City's market position relative to the market average minimum, midpoint, and maximum pay rate for each benchmark job title. Consultant will then compare these averages to the City's pay ranges to determine the market position for each job title and occupational group. Based on industry standards that align with federal antitrust/safe harbor guidelines, benchmarks that receive less than five (5) total responses will not be included in Consultant's final report.

For example, Consultant's first deliverable to City will be a set of detailed market data tables that show the matching job title and pay range information associated with each job title, similar to the example shown on p. 39 of the Proposal. Consultant will meet with City to review each job match and finalize the information before proceeding to the next steps.

Once City has reviewed and approved the job matches and detailed data tables, Consultant will then prepare summary tables and charts that show the City's market position in various forms, such as those shown on pp. 40-41 of the Proposal.

In addition, Consultant's analysis will include exhibits showing the City's market position for other elements of total compensation collected in the survey, such as paid leave, health benefits, and retirement contributions, such as those shown on pp. 42-46 of the Proposal.

- (e) Determine total compensation market position. Consultant will then determine the City's total compensation market position. This involves identifying each employer's annual cost for providing medical and other health related benefits, as well as retirement programs. Consultant will compare the City's total compensation

costs to the market average, similar to the tables shown on p. 47 of the Proposal.

At this stage of the project, Consultant can prepare a summary of the market study findings for City to share with senior leaders, department management, or the entire workforce.

- (f) Prepare and deliver a report to City detailing Consultant's findings. Once all data have been collected, reviewed, and analyzed, Consultant will prepare a report detailing its methodology and findings. The report will include at least the following items:
 - (i) An Executive Summary, briefly describing the key findings;
 - (ii) A description of the study objectives and methodology;
 - (iii) The City's competitive market position for pay, applicable to each benchmark job title and job family;
 - (iv) The prevailing policies regarding pay progression, supplemental pay, and other compensation-related practices collected in the survey;
 - (v) Paid time off policies for each surveyed employer;
 - (vi) The prevalence and cost-sharing arrangements for medical coverage, supplemental benefits, and retirement plans among the surveyed employers;
 - (vii) The City's total compensation market position;
 - (viii) Appendices showing detailed information collected for the market study.

4. **Step 4: Recommendations Development.**

- (a) Based on the findings of the market study, Consultant will:
 - (i) Complete an internal base salary relationship analysis, including the development of appropriate internal relationship and equity guidelines;
 - (ii) Develop external competitive and internal equitable salary recommendations for each classification included within the study. Assign a salary range to each classification which reflects the results of the market survey and the analysis of the internal relationships. This will include an explanation of

the specific methodology (i.e., articulable factors) used in determining salary range;

- (iii) Present results of survey to department heads and relevant City staff in small group meetings;
 - (iv) Be able to discuss and defend all challenges to the survey;
 - (v) Assist in the development of a strategy for implementing the compensation;
 - (vi) Assign a salary range to each classification which reflects the results of the market survey and the analysis of the internal relationships. This will include an explanation of the specific methodology (i.e., articulable factors) used in determining salary range;
 - (vii) Present results of survey to department heads and relevant City staff in small group meetings;
 - (viii) Be able to discuss and defend all challenges to the survey;
 - (ix) Assist in the development of a strategy for implementing the compensation;
 - (x) Provide instructional information to allow City staff and any other key employees to conduct individual salary audits and salary adjustments consistent with the study methods until the next formal study is conducted;
 - (xi) Provide a draft written report presenting specific salary recommendations based on the results of the market survey and internal relationship analysis. A secondary report and analysis of the benefit data must also be prepared.
- (b) Consultant will perform the following sub-steps to complete this step in the project:
- (i) Design a Recommended Salary Schedule. Once the market study report has been finalized, with the guidance of the City's Project Team, Consultant will develop recommended new salary structures that are consistent with the market findings and the City's pay philosophy. The pay schedule is anticipated to consist of pay grades with minimum, midpoint, and maximum pay rates, and to have consistent intervals between grades as well as consistent range widths. The pay structure may include either steps or open ranges depending on the pay philosophy of the City. Consultant will

work with the City's Project Team to determine the most appropriate structure for City.

- (ii) Recommend Pay Grade Assignments. Consultant will then recommend grade assignments for all jobs covered by the study.

First, Consultant will recommend grade assignments for benchmark jobs based on the market study findings.

Next, Consultant will recommend grade assignments for non-benchmark jobs using the results of the classification analysis and Segal Evaluator™ approach developed in Step 2. Consultant's recommendations will be based on job content similarities and differences that were identified in the classification structure and Segal Evaluator™ approach, such as minimum qualifications, scope of responsibilities, supervisory role, and other considerations.

Last, Consultant will review the grade assignments with the City's Project Team, highlighting situations that represent significant change from the current pay relationships. Once City's Project Team has had an opportunity to review and internally vet the recommendations, Consultant will finalize the grade assignments as part of its final recommendations. Consultant's goal will be to ensure the new system (i) is market based, (ii) considers the comparable worth based on job duties and competencies, and (iii) is easily understood and used by managers and employees.

- (iii) Develop Recommended Administration Guidelines. Consultant will also work with City's Project Team to develop compensation policies that are appropriate for the City and consistent with market practices. These may include the following:

- (A) Salary administration and pay plan maintenance;
- (B) Pay guidelines: a plan to adjust salaries up/down when assignments are changed and when an employee is placed in another category or pay grade;
- (C) Pay progression methods: to include sound practices to mitigate pay compression, promote equity, and recognize employee professional development;
- (D) Pay progression guidelines: how employees progress from the minimum to the maximum of the pay range;

- (E) Performance-based pay: whether base salary adjustments can occur based on performance, whether bonuses can be awarded based on individual or group performance, etc.;
- (F) Pay schedule adjustment guidelines: how and when adjustments are made to the pay schedule, and whether/how these adjustments affect employees' individual pay;
- (G) Hiring salary practices and guidelines: to what extent new employees can be hired above the minimum of the pay range, criteria for setting hiring salaries, and determinations regarding approval levels;
- (H) Pay supplements and additions to base pay: such as pay for special skills or competencies, shift differentials, on-call or call-back pay, etc.;
- (I) Other related guidelines: such as promotional guarantees, reclassifications, etc.

Consultant will review the City's current compensation policies and—after discussion with the City's Project Team regarding the advantages, disadvantages, and implications of each—will draft revised language that reflects Consultant's recommendations for changes. Consultant will deliver its recommendations to City staff in Microsoft Word so that City staff can make any edits or changes based on City's needs.

- (iv) Assist with Implementation. Consultant will provide up to eight (8) hours of consulting time related to implementation of the plan, which may include:
 - (A) Developing an implementation schedule that takes into consideration potential phased approaches, based on the City's operational priorities, culture, and availability of funding;
 - (B) Drafting a check list of the items that will need to be addressed prior to implementing the recommended changes;
 - (C) Assisting the City with supporting or defending the study results and recommendations with key stakeholders or officials;

- (D) Preparing presentation materials for decision makers;
- (E) Assisting with developing employee communication materials;
- (F) Plan for keeping the compensation study up to date by means of periodic market studies including suggested timelines and classifications that could be designated for benchmarking;
- (G) Provide a training session with the City's Human Resources staff to transfer the tools, methodologies, and recommendations - including a description of the analytic processes that Consultant used to conduct the study, as well as assistance with defining the operational needs that result from the potential changes in policy.

5. **Step 5: Present Final Results.** Consultant will present the final results to department heads and relevant City staff. At minimum, Consultant will develop and deliver one on-site presentation at the City (as well as providing written and recorded copies to City) that will contain at least the following elements:

- (a) Background and reasons for the project;
- (b) Objectives and goals of the project;
- (c) Methodology used to conduct the analysis;
- (d) Key findings and outcomes;
- (e) Consultant recommendations, including potential implications of those recommendations.

Consultant will draft the presentation for the City Project Team's review, and then will finalize the document based on City's comments and input. A senior member of Consultant's team will deliver the presentation, in conjunction with a senior member of the City's Project Team.

II. As part of the Services, Consultant will prepare and deliver the following tangible work products to the City:

- A.** Classification Analysis (including all sub-step deliverables).
- B.** Total compensation market assessment including market findings (final report and all sub-step deliverables).

- C. Recommended Pay Schedule, Pay Grade Assignments, and Pay Policies/Guidelines.
 - D. Presentation of Final Results to City (Draft & Final Presentations).
 - E. Implementation deliverables.
- III. In addition to the requirements of Section 6.2, during performance of the Services, Consultant will keep the City apprised of the status of performance by delivering the following status reports:**
- A. Benchmark Reports: Benchmark reports are measured by the following deliverables, without limitation:
 - 1. Completion of all necessary department and employee interviews;
 - 2. Results of data gathering;
 - 3. Drafts of preliminary findings and recommendations;
 - 4. Final reports of findings and recommendations.
- IV. All work product is subject to review and acceptance by the City, and must be revised by the Consultant without additional charge to the City until found satisfactory and accepted by City.**
- V. Consultant will utilize the following personnel to accomplish the Services:**
- A. Carol Mercer, CCP – Senior Consultant, Client Relationship Manager
 - B. Stephen Murphy, CEBS – Senior Consultant, Local Public Sector Expertise
 - C. Mary Ann Edwards – Consultant, Project Manager
 - D. Diana Sobczynski – Associate Consultant, Senior Compensation Analyst
 - E. Greg Saylor - Associate Consultant, Senior Compensation Analyst
 - F. Rebecca Dayton – Senior Associate, Senior Compensation Analyst
 - G. TBD – Associate, Analyst (additional Consultant associates and analysts will be added as necessary to ensure timely completion of project timelines and deliverables)

EXHIBIT “B”
SPECIAL REQUIREMENTS
(Superseding Contract Boilerplate)

(added text is shown in ***bold italics***, deleted text is shown in ~~strikethrough~~)

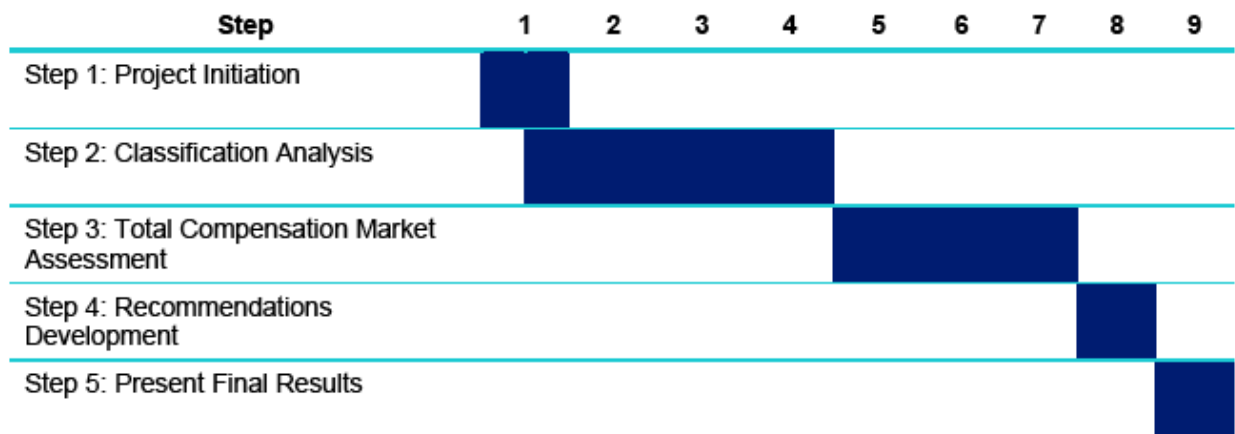
EXHIBIT "C"
SCHEDULE OF COMPENSATION

- I. Consultant shall perform the services for a Fixed Fee of \$270,000, consisting of the following sub-budgets:**
 - A.** Step 1 Fixed Fee sub-budget: \$10,000
 - B.** Step 2 Fixed Fee sub-budget: \$160,000
 - C.** Step 3 Fixed Fee sub-budget: \$75,000
 - D.** Step 4 Fixed Fee sub-budget: \$20,000
 - E.** Step 5 Fixed Fee sub-budget: \$5,000
- II. Within the budgeted amounts for each Step, and with the approval of the Contract Officer, funds may be shifted from one Step sub-budget to another so long as the Contract Sum is not exceeded per Section 2.1, unless Additional Services are approved per Section 1.8.**
- III. The City will compensate Consultant for the Services performed upon submission of a valid invoice. Each invoice is to include, to the extent applicable:**
 - A.** Line items for all personnel describing the work performed, the number of hours worked, and the hourly rate.
 - B.** Line items for all materials and equipment properly charged to the Services.
 - C.** Line items for all other approved reimbursable expenses claimed, with supporting documentation.
 - D.** Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.
- IV. The total compensation for the Services shall not exceed \$270,000 as provided in Section 2.1 of this Agreement.**

EXHIBIT “D”
SCHEDULE OF PERFORMANCE

- I. Consultant shall perform all services timely in accordance with the following project timeline, which includes completing stakeholder interviews, conducting employee sessions, distributing job analysis questionnaires, etc., commencing from the date of issuance of notice to proceed. The City’s Contract Officer may approve modifications or extensions to this timeline during Project Initiation (Step 1), but any extensions shall be subject to and counted toward the limit set forth in Section 3.2 of this Agreement.**

Anticipated Timeline in Months



- II. Consultant shall deliver the following tangible work products to the City by the following dates.**
- A.** Completion of Classification Analysis (last sub-step) – within four (4) months from Notice to Proceed.
 - B.** Completion of total compensation market assessment (last sub-step) – within seven (7) months from Notice to Proceed
 - C.** Recommended Pay Schedule, Pay Grade Assignments, and Pay Policies – within eight (8) months from Notice to Proceed.
 - D.** Presentation of Final Results to City (Final Presentation) – within nine (9) months from Notice to Proceed.
- III. The Contract Officer may approve extensions for performance of the services in accordance with Section 3.2.**