



# City of San Leandro

Meeting Date: November 29, 2021

## Staff Report

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**File Number:** 21-671 **Agenda Section:** CONSENT CALENDAR

**Agenda Number:** 8.H.

**TO:** City Council

**FROM:** Fran Robustelli  
City Manager

**BY:** Fran Robustelli  
Interim City Manager

**FINANCE REVIEW:** Susan Hsieh  
Finance Director

**TITLE:** Staff Report for a City of San Leandro City Council Resolution Approving and Authorizing the City Manager to Execute an Amendment to the Consulting Services Agreement between the City of San Leandro and Koff & Associates, a Division of Gallagher Benefit Services, Inc. for a Classification and Compensation Study

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### SUMMARY AND RECOMMENDATIONS

Staff recommends that the City Council authorize the City Manager to execute an amendment to the Consulting Services Agreement between the City of San Leandro and Koff & Associates, a division of Gallagher Benefit Services, Inc. for a Classification and Compensation study of management positions.

### BACKGROUND

On August 1, 2021, the City entered into an agreement with Koff & Associates following a request for proposals process for a classification and compensation study of management positions. The original agreement was approved by the City Manager in the amount of \$49,760 to conduct classification studies and survey base salaries. The proposed amendment is to expand the salary survey to include total compensation, which will cost an additional \$9,600.

### Analysis

During the last contract negotiation with the San Leandro Management Organization (SLMO), the City agreed to conduct classification and compensation studies of management positions. Following historical practices, the City intended to move forward with comparing base salary with comparable agencies. However, staff now recommends that the compensation analysis include all wages and fringe benefits for a better indication of the City of San Leandro's position in the competitive labor market. A total compensation study will demonstrate the true value of the City's comprehensive benefits package including contributions towards health, CalPERS and Social

Security retirement, deferred compensation 457 plan, paid leaves, and other negotiated pays.

An amendment to the current agreement for an additional \$9,600 for a total Consulting Services Agreement (CSA) of \$59,360 is requested so that Koff & Associates may conduct total compensation studies. The change in scope will not affect the term of the services ending on June 30, 2022.

**Fiscal Impact**

The current \$49,760 CSA with Koff & Associates is currently funded in the Human Resources consulting Account No. 010-12-060-5120. There are adequate funds to cover the additional amendment cost of \$9,600. No additional budget appropriation is required at this time.

**ATTACHMENT**

- Consulting Services Agreement with Koff & Associates
- Amendment to Consulting Services Agreement with Koff & Associates

**PREPARED BY**

Yana Taran, Senior Human Resources Analyst, Human Resources Division



# City of San Leandro

Meeting Date: November 29, 2021

## Resolution - Council

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**File Number:** 21-672 **Agenda Section:** CONSENT CALENDAR

**Agenda Number:**

**TO:** City Council

**FROM:** Fran Robustelli  
City Manager

**BY:** Fran Robustelli  
Interim City Manager

**FINANCE REVIEW:** Susan Hsieh  
Finance Director

**TITLE:** RESOLUTION of the City of San Leandro City Council Approving and Authorizing the City Manager to Execute an Amendment to the Consulting Services Agreement between the City of San Leandro and Koff & Associates, a division of Gallagher Benefit Services, Inc. for the Classification and Compensation Study

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**WHEREAS**, the Amendment to the Consulting Services Agreement between the City of San Leandro and Koff & Associates, a division of Gallagher Benefit Services, Inc. for a Classification and Compensation Study, a copy of which is attached, is presented to this Council; and

**WHEREAS**, the City Council is familiar with the contents thereof.

**NOW, THEREFORE**, the City Council of the City of San Leandro does **RESOLVE** as follows:

That said Amendment to Agreement at the amount stated in the staff report that increases the total amount of compensation to \$59,360 is hereby approved, and execution by the City Manager is hereby authorized.



**CONSULTING SERVICES AGREEMENT BETWEEN THE CITY OF SAN LEANDRO  
AND KOFF & ASSOCIATES, A DIVISION OF GALLAGHER BENEFIT SERVICES, INC. FOR  
PROVIDING CLASSIFICATION AND COMPENSATION STUDY**

THIS AGREEMENT for consulting services is made by and between the City of San Leandro ("City") and Koff & Associates, a Division of Gallagher Benefit Services, Inc. ("Consultant") (together sometimes referred to as the "Parties") as of August 1, 2021 (the "Effective Date").

**Section 1. SERVICES.** Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

- 1.1 **Term of Services.** The term of this Agreement shall begin on the Effective Date and shall end on **June 30, 2022**, the date of completion specified in Exhibit A, and Consultant shall complete the work described in Exhibit A on or before that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Consultant to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as referenced in Section 8.
- 1.2 **Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged.
- 1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Consultant shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.
- 1.4 **Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Subsection 1.2 above and to satisfy Consultant's obligations hereunder.
- 1.5 **City of San Leandro Living Wage Rates.** This contract may be covered by the City of San Leandro Living Wage Ordinance (LWO). Bidder's attention is directed to the San Leandro Municipal Code, Title 1, Chapter 6, Article 6. Successful Bidder must submit completed self-certification form and comply with the LWO if covered.

**Section 2. COMPENSATION.** City hereby agrees to pay Consultant a sum not to exceed **\$49,760.00 per year**, notwithstanding any contrary indications that may be contained in Consultant's proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Consultant's proposal, attached as Exhibit B, regarding the amount of compensation, the Agreement shall prevail. City shall pay Consultant for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Consultant for services rendered pursuant to this Agreement. Consultant shall

submit all invoices to City in the manner specified herein. Except as specifically authorized by City in writing, Consultant shall not bill City for duplicate services performed by more than one person.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the Parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

**2.1 Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder;
- The Consultant's signature;
- Consultant shall give separate notice to the City when the total number of hours worked by Consultant and any individual employee, agent, or subcontractor of Consultant reaches or exceeds **311 hours** within a **12-month period** under this Agreement and any other agreement between Consultant and City. Such notice shall include an estimate of the time necessary to complete work described in Exhibit A and the estimate of time necessary to complete work under any other agreement between Consultant and City, if applicable.

**2.2 Monthly Payment.** City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have 30 days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.

- 2.3 Final Payment.** City shall pay the last 10% of the total sum due pursuant to this Agreement within 60 days after completion of the services and submittal to City of a final invoice, if all services required have been satisfactorily performed.
- 2.4 Total Payment.** City shall pay for the services to be rendered by Consultant pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Consultant in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.
- In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.
- 2.5 Hourly Fees.** Fees for work performed by Consultant on an hourly basis shall not exceed the amounts shown on the compensation schedule attached hereto as Exhibit B.
- 2.6 Reimbursable Expenses.** Reimbursable expenses are specified in Exhibit B. Expenses not listed in Exhibit B are not chargeable to City. Reimbursable expenses are included in the total amount of compensation provided under this Agreement that shall not be exceeded.
- 2.7 Payment of Taxes.** Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.
- 2.8 Payment upon Termination.** In the event that the City or Consultant terminates this Agreement pursuant to Section 8, the City shall compensate the Consultant for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Consultant shall maintain adequate logs and timesheets to verify costs incurred to that date.
- 2.9 Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

**Section 3. FACILITIES AND EQUIPMENT.** Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Consultant only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Consultant's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

**Section 4. INSURANCE REQUIREMENTS.** Before fully executing this Agreement, Consultant, at its own cost and expense, unless otherwise specified below, shall procure the types and amounts of insurance listed below against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Consultant and its agents, representatives, employees, and subcontractors. Consistent with the following provisions, Consultant shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects, and that such insurance is in effect prior to beginning work. Consultant shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid or proposal. Consultant shall not allow any subcontractor to commence work on any subcontract until Consultant has obtained all insurance required herein for the subcontractor(s) and provided evidence to the City that such insurance is in effect. VERIFICATION OF THE REQUIRED INSURANCE SHALL BE SUBMITTED AND MADE PART OF THIS AGREEMENT PRIOR TO EXECUTION. Consultant shall maintain all required insurance listed herein for the duration of this Agreement.

**4.1 Workers' Compensation.**

**4.1.1 General Requirements.** Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than **\$1,000,000** per accident. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the California Labor Code shall be solely in the discretion of the Contract Administrator.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the entity for all work performed by the Consultant, its employees, agendas, and subcontractors.

**4.1.2 Submittal Requirements.** To comply with Subsection 4.1, Consultant shall submit the following:

- a. Certificate of Liability Insurance in the amounts specified in the section; and
- b. Waiver of Subrogation Endorsement as required by the section.

**4.2 Commercial General and Automobile Liability Insurance.**

**4.2.1 General Requirements.** Consultant, at its own cost and expense, shall maintain commercial general liability insurance for the term of this Agreement in an amount not less than **\$1,000,000** and automobile liability insurance for the term of this Agreement in an amount not less than **\$1,000,000** per occurrence, combined single limit coverage for risks associated with the work contemplated by this

Agreement. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

**4.2.2 Minimum Scope of Coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an “occurrence” basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001, Code 1 (any auto). No endorsement shall be attached limiting the coverage.

**4.2.3 Additional Requirements.** Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

- a. The Insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- b. City, its officers, officials, employees, and volunteers are to be covered as additional insured as respects: Commercial general liability arising out of work or operations performed by or on behalf of the Consultant.
- c. Consultant hereby agrees to waive subrogation which any insurer or contractor may require from vendor by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to affect this waiver of subrogation.
- d. For any claims related to this Agreement or the work hereunder, the Consultant’s Commercial general insurance covered shall be primary insurance as respects the City, its officers, officials, employees, and volunteers. Any Commercial general liability insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant’s insurance and shall not contribute with it.

**4.2.4 Submittal Requirements.** To comply with Subsection 4.2, Consultant shall submit the following:

- a. Certificate of Liability Insurance in the amounts specified in the section;
- b. Additional Insured Endorsement as required by the section;
- c. Waiver of Subrogation Endorsement as required by the section; and



- d. Primary Insurance Endorsement as required by the section.

#### **4.3 Professional Liability Insurance.**

**4.3.1 General Requirements.** Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than **\$1,000,000** covering the licensed professionals' errors and omissions. Any deductible or self-insured retention shall not exceed **\$150,000** per claim.

**4.3.2 Claims-Made Limitations.** The following provisions shall apply if the professional liability coverage is written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least 5 years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant shall purchase an extended period coverage for a minimum of 5 years after completion of work under this Agreement.
- d. A copy of the claim reporting requirements must be submitted to the City for review prior to the commencement of any work under this Agreement.

**4.3.3 Additional Requirements.** A certified endorsement to include contractual liability shall be included in the policy.

**4.3.4 Submittal Requirements.** To comply with Subsection 4.3, Consultant shall submit the Certificate of Liability Insurance in the amounts specified in the section.

#### **4.4 Section Reserved.**

#### **4.5 All Policies Requirements.**

**4.5.1 Acceptability of Insurers.** All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

**4.5.2 Verification of Coverage.** Prior to beginning any work under this Agreement, Consultant shall furnish City with complete copies of all Certificates of Liability Insurance delivered to Consultant by the insurer, including complete copies of all endorsements attached to the policies. All copies of Certificates of Liability Insurance and certified endorsements shall show the signature of a person

authorized by that insurer to bind coverage on its behalf. If the City does not receive the required insurance documents prior to the Consultant beginning work, it shall not waive the Consultant's obligation to provide them.

**4.5.3 Deductibles and Self-Insured Retentions.** Consultant shall disclose to City the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, employees, and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

**4.5.4 Wasting Policies.** No policy required by this Section 4 shall include a "wasting" policy limit (i.e. limit that is eroded by the cost of defense).

**4.5.5 Endorsement Requirements.** Any cancelled or non-renewed policy will be replaced with no coverage gap and a current Certificate of Insurance will be provided to the City.

**4.5.6 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 be subject to all of the requirements stated herein.

**4.6 Submittal of Proof of Insurance Coverage.** All certificates of insurance and original endorsements effecting coverage required in this Section 4 must be electronically submitted through the City's online insurance document management program, PINS Advantage. Contractor shall comply with all requirements provided by City related to the PINS Advantage program.

**4.7 Remedies.** In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Consultant's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

**Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.** Refer to the attached Exhibit C, which is incorporated herein and made a part of this Agreement.

## **Section 6. STATUS OF CONSULTANT.**

- 6.1 Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City. City shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subsection 1.3; however, otherwise City shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits.
- 6.2 Consultant Not an Agent.** Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

## **Section 7. LEGAL REQUIREMENTS.**

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws and regulations applicable to the performance of the work hereunder, including but not limited to, the California Building Code, the Americans with Disabilities Act, and any copyright, patent or trademark law. Consultant's failure to comply with any law(s) or regulation(s) applicable to the performance of the work hereunder shall constitute a breach of contract.
- 7.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Consultant and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.
- 7.4 Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Consultant represents and warrants to City that Consultant and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid Business Licenses from City.

- 7.5 Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Consultant shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

## **Section 8. TERMINATION AND MODIFICATION.**

- 8.1 Termination.** City may cancel this Agreement at any time and without cause upon thirty (30) days advance written notification to Consultant.

Consultant may cancel this Agreement upon **30 days'** written notice to City and shall include in such notice the reasons for cancellation.

In the event of termination, Consultant shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement.

- 8.2 Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Consultant understands and agrees that, if City grants such an extension, City shall have no obligation to provide Consultant with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Consultant for any otherwise reimbursable expenses incurred during the extension period.

- 8.3 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.

- 8.4 Assignment and Subcontracting.** City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written

approval of the Contract Administrator. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.

- 8.5 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant shall survive the termination of this Agreement.
- 8.6 Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but are not limited to, the following:
- 8.6.1** Immediately terminate the Agreement;
  - 8.6.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
  - 8.6.3** Retain a different consultant to complete the work described in Exhibit A not finished by Consultant; or
  - 8.6.4** Charge Consultant the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the work.

**Section 9. KEEPING AND STATUS OF RECORDS.**

- 9.1 Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Consultant hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both Parties. Notwithstanding the foregoing, Consultant will retain sole and exclusive ownership of all right, title and interest in and to its intellectual property and derivatives thereof which no data or confidential information of the City was used to create and which was developed entirely using Consultant's own resources. To the extent Consultant's intellectual property is necessary for the City to use the services provided, Consultant will grant to the City a non-exclusive, royalty-free license to Consultant's intellectual property solely for the City's use of such services.
- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents

evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.

- 9.3 Inspection and Audit of Records.** Any records or documents that Subsection 9.2 of this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds **\$10,000.00**, the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of 3 years after final payment under the Agreement.

**Section 10. MISCELLANEOUS PROVISIONS.**

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Alameda or in the United States District Court for the Northern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 10.6 Use of Recycled Products.** Consultant shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.
- 10.7 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Section 1090 *et seq.*

Consultant hereby warrants that it is not now, nor has it been in the previous 12 months, an employee, agent, appointee, or official of the City. If Consultant was an employee, agent, appointee, or official of the City in the previous 12 months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of California Government Code Section 1090 *et seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Consultant will be required to reimburse the City for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of California Government Code Section 1090 *et seq.*, and, if applicable, will be disqualified from holding public office in the State of California.

At City's sole discretion, Consultant may be required to file with the City a Form 700 to identify and document Consultant's economic interests, as defined and regulated by the California Fair Political Practices Commission. If Consultant is required to file a Form 700, Consultant is hereby advised to contact the San Leandro City Clerk for the Form 700 and directions on how to prepare it.

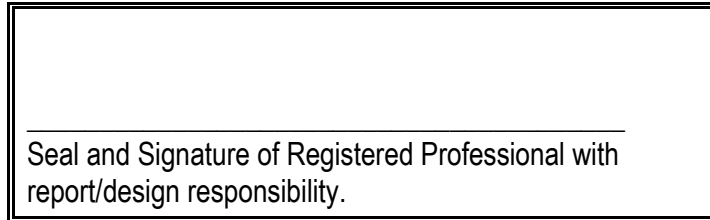
- 10.8 **Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.
- 10.9 **Contract Administration.** This Agreement shall be administered by **Emily Hung, Human Resources Manager** ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.
- 10.10 **Notices.** Any written notice to Consultant shall be sent to:  
Georg S. Krammer  
Managing Director, Compensation and Rewards Consulting  
2835 Seventh Street  
Berkeley, CA 94710

**Any written notice to City shall be sent to:**  
Emily Hung, Human Resources Manager  
City Manager's Office – Human Resources Division  
City of San Leandro  
835 East 14<sup>th</sup> Street  
San Leandro, CA 94577

With a copy to:  
City of San Leandro  
Department of Finance  
c/o Purchasing Technician

835 East 14<sup>th</sup> Street  
San Leandro, CA 94577

**10.11 Professional Seal.** Where applicable in the determination of the contract administrator, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled "Seal and Signature of Registered Professional with report/design responsibility," as in the following example.



**10.12 Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as **Exhibits A, B, and C** represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral.

- Exhibit A            Scope of Services
- Exhibit B            Compensation Schedule & Reimbursable Expenses
- Exhibit C            Indemnification

**10.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

**10.14 Certification per Iran Contracting Act of 2010.** In the event that this contract is for one million dollars (\$1,000,000.00) or more, by Consultant's signature below Consultant certifies that Consultant, and any parent entities, subsidiaries, successors or subunits of Consultant are not identified on a list created pursuant to subdivision (b) of Section 2203 of the California Public Contract Code as a person engaging in investment activities in Iran as described in subdivision (a) of Section 2202.5, or as a person described in subdivision (b) of Section 2202.5 of the California Public Contract Code, as applicable.

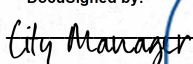
**SIGNATURES ON FOLLOWING PAGE**



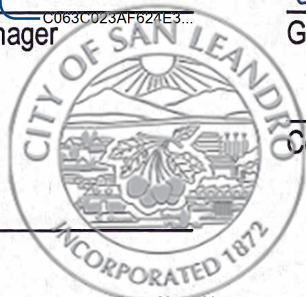
The Parties have executed this Agreement as of the Effective Date. The persons whose signatures appear below certify that they are authorized to sign on behalf of the respective Party.

**CITY OF SAN LEANDRO**

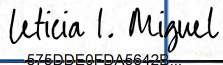
**KOFF & ASSOCIATES, A DIVISION OF  
GALLAGHER BENEFIT SERVICES, INC.**

DocuSigned by:  FR  
C063C023AF624E3...  
Frances Robustelli, City Manager

DocuSigned by:   
C063C023AF624E3...  
Georg S. Krammer, Managing Director

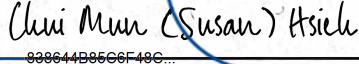



Attest:

DocuSigned by:   
675DDE0FDA66425...  
Leticia Miguel, City Clerk

\_\_\_\_\_  
Consultant's DIR Registration Number, if applicable

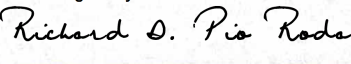
Approved as to Fiscal Authority:

DocuSigned by:   
938644D85C6F48C...  
Susan Hsieh, Finance Director

DocuSigned by:   
97444E47633E4CB...

\_\_\_\_\_  
Account Number

Approved as to Form:

DocuSigned by:   
7B41598F0D5F47C...  
Richard D. Pio Roda, City Attorney

Per Section 10.7:

- Form 700 Not Required
- Form 700 Required

DocuSigned by:   
F5F202A41F5B42C...  
Emily Hung, Human Resources Manager

1969630.2 (2015)

## EXHIBIT A

### SCOPE OF SERVICES

#### PROJECT OVERVIEW AND OBJECTIVES

The City recognizes the need to periodically review, analyze, and update its job classifications and compensation system in line with comparable cities.

The scope of work will include, but not be limited to:

- A. The basic study is for all positions in the San Leandro Management Organization. The existing classifications are attached as Exhibit A, see pages 10 & 11.
- B. Provide implementation support, which would include, but not be limited to, City Council, employee groups and union groups presentations and maintenance training on the system.
- C. Establish and provide concrete schedules for each of the proposed developments.
- D. Present findings and recommendations, including written and oral report and policies at various meetings.

#### SCOPE OF STUDY

##### Classification Study

- Review and update job classifications to uniformly reflect the distinguishing characteristics, essential and non-essential job functions, set appropriate minimum qualifications (education/experience and knowledge/skills/abilities), certification/licenses/registrations, and working conditions. Confirm and recommend changes to hierarchical order.
- A written methodology for determining the distinctive characteristics of each requested City job classification.
- Review and revise job classifications to ensure compliance with City policies, legal State and Federal requirements with special emphasis on compliance with the provisions of the Americans with Disabilities Act (ADA).
- Conduct interviews and/or job audits as appropriate. Engage respective employees, supervisors and department heads in the evaluation and analysis process; develop and distribute a position description questionnaire; other related data collection and analysis.
- Review current classification methodology and recommend strategies for the City;
- Finalize job classifications for each position, including correction of identified discrepancies between existing and proposed classifications.
- Clearly outline promotional opportunities and provide recognizable compensation growth.
- Provide a straightforward, easily understood maintenance system that Human Resources will use to keep the standing classification system current and equitable.
- Provide recommendations for a process to evaluate requests for reclassification and/or compensation changes.

## Compensation Study

- Review current compensation plan (salary grade levels and steps) and understand current challenges in recruiting and retaining employees.
- Provide appropriate benchmark standards and conduct compensation surveys; analyze data to develop a pay structure while assuring internal and external equity and compliance with State and Federal requirements.
- Compile and analyze information from seven comparable agencies (City of Alameda, City of Berkeley, City of Hayward, City of Newark, City of Livermore, City of Pleasanton, City of Union City) providing similar services along with other competitive data.
- Identify potential pay compression issues and provide potential solutions.
- Analyze and recommend changes to the present compensation structure to meet market analysis.

## EXHIBIT B

### COMPENSATION SCHEDULE & REIMBURSABLE EXPENSES

Compensation for work associated with this contract shall be per section II. Billing Procedure from Consultant's proposal (Exhibit A).

Deliverables	<b>Phase 1: Classification Study</b> 47 Classifications, 34 Employees	Hours
A.	Meetings with Study Project Team and Management Staff and Initial Documentation Review	8
B.	Orientation Meetings with Employees and Distribution of PDQ	8
C.	Collection and Review of PDQs (assumes up to 34 PDQs)	15
D.	Interviews with Employees, Supervisors, and Management (up to 34 interviews)	30
E.	Classification Concept & Preliminary Allocation	18
F.	Draft Class Description Development (assuming that some classification will not remain active and that we will develop up to 40 classifications)	100
G.	Facilitation of Draft Class Description Review and Employee Feedback Process	20
H.	Classification Plan and Draft of Interim Report and Final Report	12
<b>Total Professional Hours – Classification</b>		<b>211</b>
Combined professional and clerical composite rate: <b>\$160/Hour</b>		<b>\$33,760</b>

Deliverables	<b>PHASE II: Base Salary</b>	Option 1: Hours
A.	List of Comparator Agencies, Benchmark Classifications, and Benefits to be Collected (if desired) <i>Option 1: assumes that K&amp;A will survey the 7 comparator agencies listed in the RFP and will not conduct an additional analysis regarding additional survey agencies.</i> <i>Option 2: assumes that K&amp;A will conduct additional analysis to recommend potential changes to the list of agencies in the RFP, up to 10 comparator agencies.</i>	2
B.	Data from Comparators and Preliminary Analysis of Data <i>Option 1: assumes 7 comparator agencies, up to 30 benchmark classifications, and base salaries only, no benefits.</i> <i>Option 2: assumes up to 10 comparator agencies, up to 30 benchmark classifications, and total compensation including benefits.</i>	60
C.	Draft Compensation Findings/Additional Analysis/Study Project Team Meetings	12
D.	Analysis of Internal Relationships and Alignment	4

E.	Compensation Structure and Implementation Plan	4
F.	Final Report and Guidelines for Implementation	10
G.	Formal Appeals Process *	0
I.	Final Presentation	4
	<i>Anticipated hours for additional unscheduled meetings and phone calls</i>	4
	<b>Total Professional Hours – Compensation</b>	<b>100</b>
	Combined professional and clerical composite rate: <b>\$160/Hour</b>	<b>\$16,000</b>
	Expenses are <u>included</u> in the composite hourly rate:	<b>N/A</b>
	<i>Expenses include but are not limited to duplicating documents, binding reports, phone, supplies, postage, parking, meals, travel time, etc.</i>	
	<b>TOTAL PROJECT COST NOT TO EXCEED:</b>	<b>\$49,760</b>
	<i>*Additional consulting will be honored at composite rate (\$160/hr)</i>	

## EXHIBIT C

### INDEMNIFICATION

Consultant shall indemnify, defend with counsel acceptable to City, and hold harmless City and its officers, elected officials, employees, agents and volunteers from and against any and all liability, loss, damage, claims, expenses, and costs (including without limitation, attorney's fees and costs and fees of litigation) (collectively, "Liability") of every nature arising out of or in connection with Consultant's performance of the services called for or its failure to comply with any of its obligations contained in this Agreement, except such Liability caused by the active negligence or willful misconduct of City.

Notwithstanding the forgoing, to the extent this Agreement is a "construction contract" as defined by California Civil Code Section 2782, as may be amended from time to time, such duties of Consultant to indemnify shall not apply when to do so would be prohibited by California Civil Code Section 2782.

The Consultant's obligation to defend and indemnify shall not be excused because of the Consultant's inability to evaluate Liability or because the Consultant evaluates Liability and determines that the Consultant is not liable to the claimant. The Consultant must respond within 30 days to the tender of any claim for defense and indemnity by the City. If the Consultant fails to accept or reject a tender of defense and indemnity within 30 days, in addition to any other remedy authorized by law, so much of the money due the Consultant under and by virtue of this Agreement as shall reasonably be considered necessary by the City, may be retained by the City until disposition has been made of the claim or suit for damages, or until the Consultant accepts or rejects the tender of defense, whichever occurs first.

Consultant's liability to the City and any other party for any losses, injury or damages to persons or properties or work performed arising out of in connection with this Agreement and for any other claim, whether the claim arises in contract, tort, statute or otherwise, shall be limited to \$1,000,000 for the particular Services giving rise to the claim. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, CONSULTANT SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, LOST PROFITS, OR PUNITIVE DAMAGES SUSTAINED OR INCURRED IN CONNECTION WITH THIS AGREEMENT, WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE.

3845619.1

**AMENDMENT NO. 1 TO CONSULTING SERVICES AGREEMENT BETWEEN  
THE CITY OF SAN LEANDRO AND  
KOFF & ASSOCIATES, A DIVISION OF GALLAGHER BENEFIT SERVICES, INC. FOR PROVIDING  
CLASSIFICATION AND COMPENSATION STUDY**

This **Amendment No.1** (“Amendment”) is made by and between the City of San Leandro (“City”) and Koff & Associates, a Division of Gallagher Benefit Services, Inc. (“Consultant”) (together sometimes referred to as the “Parties”) as of November 29, 2021, and amends that certain Consulting Services Agreement (“Agreement”) dated August 1, 2021, between the Parties.

**WHEREAS**, City and Consultant have executed the Agreement, pursuant to which Consultant has provided certain consulting services to City with regard to Classification and Compensation Study, and

**WHEREAS**, the Parties desire to amend the Agreement for additional amount of \$9,600 for total compensation not to exceed \$59,360.

**NOW THEREFORE**, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties hereby agree to amend the Agreement as follows:

1. Section 2 of the Agreement entitled “Compensation” is hereby amended to pay Consultant a sum not to exceed \$59,360; and
2. All other terms shall remain in full force and effect.

This Amendment may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

The Parties have executed this Amendment as of the date first written above. The persons whose signatures appear below certify that they are authorized to sign on behalf of the respective Party.

CITY OF SAN LEANDRO

Koff & Associates,  
a Division of Gallagher Benefit Services, Inc.

\_\_\_\_\_  
Frances Robustelli, City Manager

\_\_\_\_\_  
Georg S. Krammer, Managing Director

Attest:

\_\_\_\_\_  
Leticia I. Miguel, City Clerk

Budget Approved:

Approved as to Fiscal Authority:

\_\_\_\_\_  
Susan Hsieh, Finance Director

\_\_\_\_\_  
Account Number

Approved as to Form:

\_\_\_\_\_  
Richard D. Pio Roda, City Attorney

\_\_\_\_\_  
Emily Hung, Human Resources Manager