

**CITY OF RICHMOND
STANDARD CONTRACT**

Department: Human Resources	Project Manager: Donna Newton
Project Manager E-mail: Donna_Newton@ci.richmond.ca.us	Project Manager Phone No: (510) 621-1218
PR No: Vendor No:	P.O./Contract No:
Description of Services: Performs a comprehensive classification and compensation study for the City.	

The parties to this STANDARD CONTRACT do mutually agree and promise as follows:

1. Parties. The parties to this Contract are the City of Richmond (herein referred to as the "City") and the following named Contractor:

The Segal Group Inc, (Western States) dba Segal

Company Name:

Street Address: 5057 Keller Springs Road, Suite 101

City, State, Zip Code: Addison, Texas 75001-6316

Contact Person: Ruth Ann Eledge

Telephone: (214) 930-7291

Email: reledge@segalco.com

Business License No: 40060080

/ Expiration Date: April 28, 2021

A California corporation, limited liability corporation general partnership, limited partnership, individual, non-profit corporation, individual dba as [specify:] _____,

other [specify:] A Maryland Corporation

2. Term. The effective date of this Contract is May 1, 2020 and it terminates June 30, 2022 unless terminated as provided herein.
3. Payment Limit. City's total payments to Contractor under this Contract shall not exceed \$ 250,000. City shall not pay for services that exceed the Contract Payment Limit unless a contract amendment has been approved by the City Council or City Manager.
4. Contractor's Obligations. Contractor shall provide those services and carry out that work described in the Service Plan (Exhibit A) which is attached hereto and is incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.
5. City's Obligations. City shall make to the Contractor those payments described in the Payment Provisions (Exhibit B) which are attached hereto and are incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.

6. Authorized Representatives and Notices. This Contract is subject to the Authorized Representatives and Notices Provisions (Exhibit C) which are attached hereto and are incorporated herein by reference.
7. General Conditions. This Contract is subject to the General Conditions (Exhibit D) which are attached hereto and are incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.
8. Special Conditions. This Contract is subject to the Special Conditions (Exhibit E) (if any) which are attached hereto and are incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein. (Note: other than Public Works contracts, the City will agree to Special Conditions only in unusual circumstances.)
9. Insurance Provisions. This Contract is subject to the Insurance Provisions (Exhibit F) which are attached hereto and are incorporated herein by reference.
10. Signatures. These signatures attest the parties' Contract hereto:

CITY OF RICHMOND
a municipal corporation

By: 

Title:

I hereby certify that this Contract
has been approved by City Council.

By: 
City Clerk


Approved as to form:

By: 
City Attorney

CONTRACTOR:

The Segal Group Inc, (Western States) dba Segal

(* The Corporation Chairperson of the Board,
President or Vice President should sign below)

By: 

Title: Vice President

Date Signed: 5/1/2020

(* The Corporation Chief Financial Officer,
Secretary or Assistant Secretary should sign below)

By: 

Title: TREASURER / CFO

Date Signed: 5/1/2020

(NOTE: Pursuant to California Corporations Code Section 313, if Contractor is a corporation or nonprofit organization, this Contract (1) must be signed by (a) the Chairperson of the Board, President or Vice-President and (b) the Secretary any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer.

LIST OF ATTACHMENTS:

Service Plan
Payment Provisions
Authorized Representatives and Notices
General Conditions
Special Conditions
Insurance Provisions
Standard Contract/EJ/TE 9-26-07

Exhibit A
Exhibit B
Exhibit C
Exhibit D
Exhibit E
Exhibit F

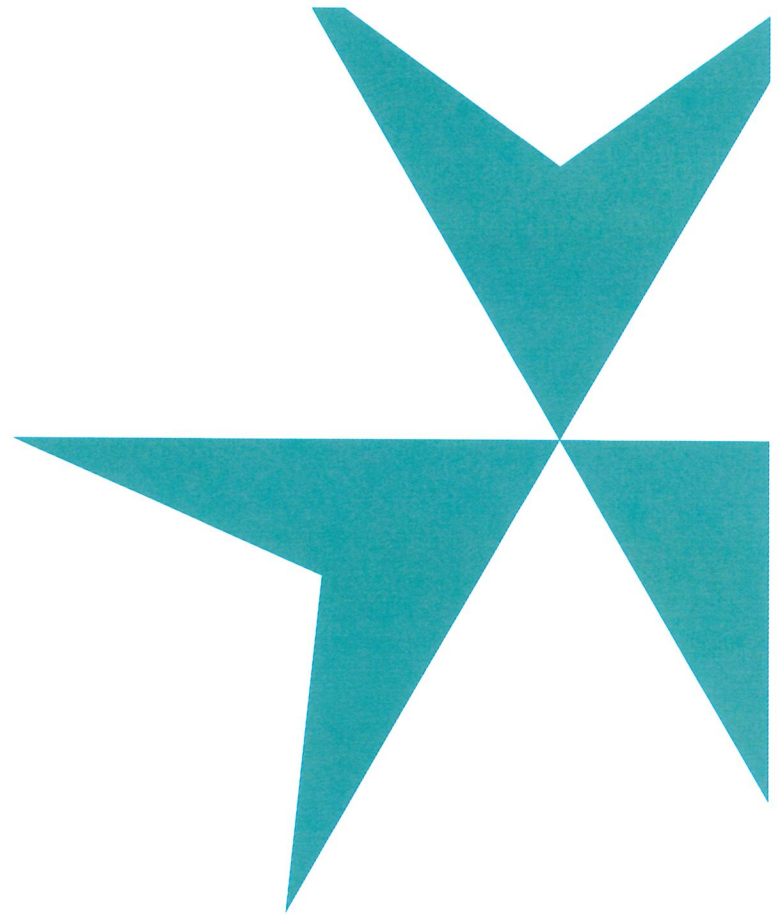
For the Contract between the City of
Richmond and
The Segal Group Inc, (Western States) dba
Segal

EXHIBIT A
SERVICE PLAN

Contractor shall, to the satisfaction of the Project Manager, perform the following services and be compensated as outlined below:

See Attachment 1: Proposal for a Classification and Compensation Study. Dates contained in attachment 1 will be updated once contract is finalized.

Attachment 1



City of Richmond, CA

Proposal for a Classification and Compensation Study

January 21, 2020

Ruth Ann Eledge, SPHR, SPRHM-SCP
Vice President
214.466.2460
reledge@segalco.com



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San Francisco, CA 94105-6147
www.segalco.com
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January 21, 2020

Ms. Donna Newton
City of Richmond – Attention Ofelia Alvarez
450 Civic Center Plaza, 1st Floor
Richmond, CA 94804

Re: RFP: Consulting Services for a Classification and Compensation Study

Dear Ms. Newton:

Thank you for the opportunity to submit this proposal for a comprehensive classification and compensation study for the City of Richmond (“the City”). Through our extensive experience providing human resources advice to public sector clients nationwide, we think Segal is best qualified to assist you with this project. We have conducted classification and compensation studies for the following California entities:

- Superior Court, County of Los Angeles
- City of Carlsbad
- City of Goleta
- City of Livermore
- City of Palo Alto
- City of San Diego
- City of San Marcos
- City of Santa Cruz
- City of Santa Monica
- Inyo County
- Santa Barbara County
- ABC Unified School District
- Palomar College
- AC Transit
- Bay Area Rapid Transit
- Golden Gate Bridge & Highway Trans District
- Orange County Transportation Authority
- San Mateo County Transit
- Southern California Regional Rail Authority
- Victor Valley Transit Authority
- Castaic Lake Water Authority
- Coachella Valley Water District
- Water Replenishment District of Southern CA
- West County Wastewater District
- Northern California UFCW

The Segal Group (www.segalco.com) has been a leading, independent firm of benefit, compensation, and human resources consultants since its founding in 1939. Our clients include corporations, non-profit organizations, higher education institutions, professional service firms, and public sector entities, and jointly trustee benefit funds.

Segal is a privately held corporation, incorporated in the State of New York in 1956 and is an independent, employee-owned organization with no ties to any other companies. Our only interest is in providing unbiased solutions to clients’ total rewards needs.

Segal is headquartered in New York City and has 24 offices with more than 1,000 employees throughout the U.S. and Canada. Our offices are located in the following cities:

Albuquerque	Denver	Minneapolis	Princeton
Atlanta	Detroit	Montreal	San Francisco
Boston	Edmonton	New Orleans	Seattle
Chicago	Hartford	New York	Toronto
Cleveland	Juneau (AK)	Philadelphia	Washington DC
Dallas	Los Angeles	Phoenix	Worcester (MA)

Segal has extensive experience in providing independent, results-driven consulting services to public sector entities throughout the country.

For 80 years, we have developed cutting-edge total rewards approaches that provide quality health care, secure retirement, and competitive compensation programs for our clients' employees. Offering comprehensive total compensation and benefits packages requires governments to continually search for cost efficiencies and innovations. Many widely accepted benefit practice and cost containment solutions were originally designed by Segal.

Segal has offered consulting services dedicated to our public sector and collectively bargained clients, since 1997, including:

- Total compensation market studies
- Total compensation system design and implementation
- Job classification analyses
- Performance management system design and implementation
- Employee opinion surveys
- Cost modeling
- Pay equity analysis

Additionally, Segal has extensive experience with the compensation and collective bargaining needs of our government clients, and we recognize the importance of understanding the nuances associated with a unionized workforce. We have unique experience in supporting public sector collective bargaining and joint labor-management facilitation efforts.

I am a principal of the firm and fully authorized to bind the firm during the proposal period and authorized to act on behalf of the firm. Our proposal and fixed fee will be valid for a period of at least 180 days. This project will be managed and conducted by the Segal Project Team located in our Dallas office.

Segal has reviewed all of the elements of the RFP and can perform the services as outlined. Additionally, Segal is willing to enter into an agreement under the terms and conditions prescribed by this RFP, insurance requirements in (Appendix E) and in the sample Service Agreement (Appendix D) and reserves the right to negotiate mutually agreeable final terms and conditions of the contract if awarded the engagement.

We appreciate your consideration for this assignment and welcome the opportunity to meet with you to answer any questions you have. Please feel free to contact me at 214.466.2460 or by email at reledge@segalco.com.

Sincerely,



Ruth Ann Eledge, SPHR, SPRHM-SCP
Vice President

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B. Executive Summary

We understand the City of Richmond (“City”) seeks the assistance of a consultant to perform a comprehensive citywide classification and compensation study setting steps within executive salary ranges, and mapping employees within established salary ranges. This study affects 744 full-time employees within 210; classifications and 172 part-time employees within 20 classifications. The City’s 47 Executive classifications will be included in the study with the exception of the City Manager and the City Attorney.

The City’s full-time employees are represented by six bargaining units:

- Service Employees International Union (SEIU) Local 1021
- International Federation of Professional and Technical Engineers (IFPTE) Local 21
- International Association of Fire Fighters (IAFF) Local 188
- Richmond Police Officer’s Association (RPOA)
- Richmond Police Management Association (RPMA)
- Richmond Fire Management Association (RFMA)

Based on the RFP, we understand the scope of work for this project includes:

Classification study: Discuss classifications to be studied, the data collection process and employee communications strategies. Review class specifications, the number of employees in each class, vacant classifications, personnel rules, reclassification procedures, policies for revising classifications, and other data as needed.

Compensation study: Discuss and make recommendations to the City’s compensation philosophy, approach, and structure. Review salary schedules, MOU’s, survey agencies (or criteria to determine them), labor market policies, internal equity structure, and related documentation. Make recommendations for placement of individual employees on revised pay scales.

Audit of compensation practices: Through the course of the study, consultant will review and observe existing compensation practices and, at the conclusion of the study, make recommendations for improvements consistent with best demonstrated practices in other cities.

To accomplish these objectives, our proposed work plan for this assignment includes the following steps.

- Step 1: Project Initiation
- Step 2: Classification Analysis
- Step 3: Total Compensation (Salary and Benefits) Market Assessment
- Step 4: Recommendations Development (Audit of Compensation Practices)
- Step 5: Present Final Results

We have described each project step in more detail on the following pages.

C. Methodology Section

Step 1: Project Initiation

1. Initial Meeting

The first task of this project will be to meet with the City's Project Team and any other key advisors to the project. The purpose of the meeting is to:

- Confirm the goals and objectives of the study
- Discuss the City's current compensation structures as well as the reasons for this project
- Finalize the timeline and specific dates for deliverables
- Clarify Segal's and the City's roles in each project phase
- Clarify the bargaining units' roles in each project phase
- Establish parameters and protocols for keeping the Project Team updated and informed
- 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.

2. Conduct Stakeholder Interviews

In addition to the initial meeting with the City's Project Team, we propose to conduct confidential one-on-one interviews with key stakeholders, such as Department Directors and other senior staff. The purpose of these interviews 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.

We have found these one-on-one discussions to be a very valuable step in understanding the advantages and shortcomings of the current human resources policies, as well as to assist us with developing revised policies that the 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.

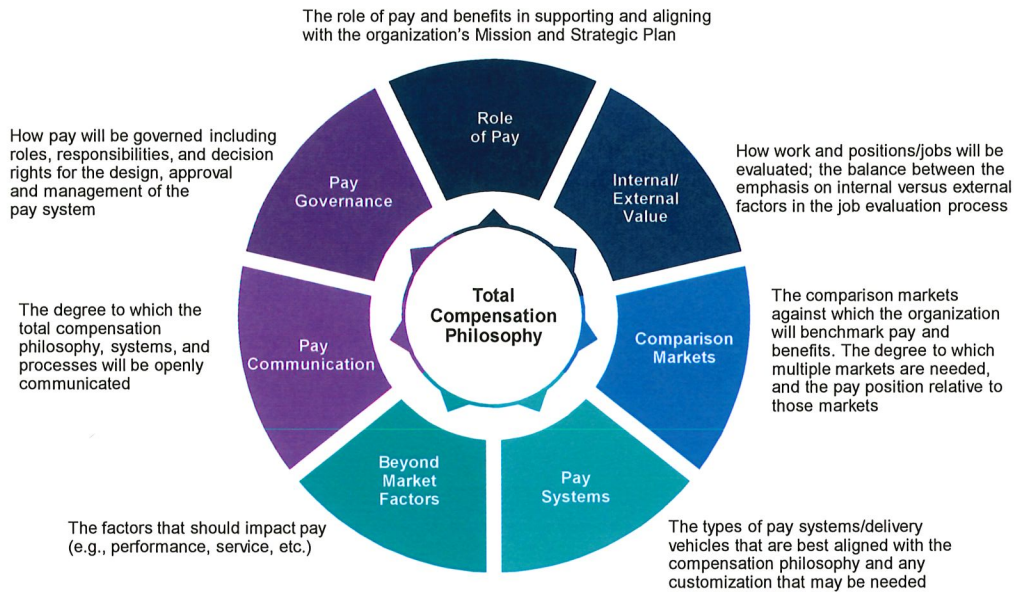
For pricing purposes, we have assumed that we will conduct two days of on-site stakeholder interviews.

3. Review Compensation Philosophy

Segal will review the City's compensation philosophy and if necessary, assist the City in the development of an updated compensation philosophy to guide our recommendations for senior management. To do this, we think it is important for Segal and the Project Team to gain consensus on the City's human resources goals and strategy.

It is important to include the City's Project Team in discussions that clarify and finalize the City's compensation philosophy. These discussions would address the following questions:

Compensation Philosophy Key Elements



If needed, based on the input gathered in this phase we will develop a “working draft” Total Compensation Philosophy. This “working draft” is necessary to frame the ensuing analysis. Thus, throughout the study we will revisit the “working draft.” Some “tweaks” may be needed along the way. We will examine the “working draft” in the light of the information that has been gathered during the process. We will make further revisions as needed and then finalize the Total Compensation Philosophy.

4. Employee Communication Plan

Our consulting philosophy is rooted in the notion employee communication is crucial to the success of any change to the classification and compensation systems. Therefore, it must be a critical component of the project.

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

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

To ensure that all stakeholders understand the content and structure of this project, we suggest some or all of the following communications tools:

1. Internal e-mail address and voice mail box that employees may use to ask questions regarding the project
2. Frequently asked questions (and answers) to be posted on the City’s intranet site or distributed directly to employees
3. Periodic project updates to be posted on the City’s intranet site or distributed directly to employees
4. Individualized communication to employees to alert them of changes to the package of pay and benefits

5. Talking points and summary presentations to key stakeholders

Our Expectations of the City for Step 1

For the initial meeting and stakeholder interviews, we ask the City to coordinate the schedules of those who will participate, as well as provide a meeting room.

In addition, we ask that the City provide the following information in electronic format:

- Salary structures
- Current personnel policy documents
- Current organization charts
- Up-to date job descriptions in Microsoft Word
- Collective bargaining agreements/Memoranda of Understanding
- Current and accurate employee census data

Step 2: Classification Analysis

We understand the City is requesting a review of the classification structure and development recommendations with the following goals:

- Discuss classifications to be studied
- Discuss the data collection process and employee communications strategies
- Review class specifications, the number of employees in each class, vacant classifications, personnel rules, reclassification procedures, policies for revising classifications, and other data as needed

Specifically, the City would like the classification analysis to include:

Position Description Questionnaire

- Provide City Management with a sample Position Description Questionnaire (PDQ)
- Describe guidelines for distribution, including the role of supervisors and employees in completing the information
- Schedule a one-day on-site visit to assist with employee orientation sessions

Collect and Review Position Description Questionnaire

- Follow-up to assist City management in responding to questions and ensuring all questionnaires are submitted within a specified time frame
- Review questionnaires for completion and accuracy and compare with current job specifications for the classifications being studied

Interviews with City Management, Supervisors and Employees

- Schedule interviews with incumbents on their duties and responsibilities as described in the PDQ and in their job specifications
- Group interviews may be conducted with selected incumbents in classes where the jobs are essentially the same
- Conduct interviews with supervisors to provide clarification or additional information
- Provide an update to City management on progress and key issues

Classification Allocation

- Analyze various factors to determine the proper class, such as, but not limited to, decision making scope and complexity of work, contact with others required by the job, supervision received and exercised, and knowledge, skills and abilities

- If applicable, contact other comparable agencies with similar classes to obtain information. Identify Fair Labor Standards Act (FLSA) status (exempt/non-exempt) for each classification

Preliminary Recommendation and Draft Report

- Prepare, submit and present a draft report summarizing each classification studied
- Determine whether a position is appropriately classified and no revisions are warranted
- Or recommend changes such as reallocating a position to a different class, revising and/or retitling an existing class or establishing a new class
- Develop and attach draft classification specifications
- Identify career ladders, for example flex classifications such as the Maintenance Worker series, and promotional opportunities as deemed appropriate
- Assist with responses to Departments, supervisors, incumbents and bargaining units

Final Report

- Develop and present a final report to City Management staff and other parties as needed, including the above elements in the draft report, along with implementation strategies.

To accomplish these goals we propose the following steps:

1. Develop a Position Description Questionnaire
2. Conduct Employee Presentations
3. Analyze the Jobs
4. Conduct Employee Interviews (as needed)
5. Develop and Document a Recommended Classification Structure
6. Recommend Individual Position Assignments to Classifications
7. Conduct FLSA Exemption Analysis
8. Apply Segal Evaluator™ Approach (Internal Equity)
9. Develop Recommendations for Career Ladders
10. Update Job Descriptions
11. Develop Draft and Final Reports

Each of these steps is described in detail below and on the following pages.

1. Develop Position Description Questionnaire

During this task, we will develop a customized questionnaire reflecting the needs of the City and the direction of the Project Team. The information elicited from employees and supervisors in the Position Description Questionnaire (PDQ) will provide the basis for job series distinctions, internal equity determinations, job descriptions, and FLSA determinations.

While we customize our Position Description Questionnaires to specific client projects, we anticipate that the PDQ will include questions concerning:

- **Essential duties and responsibilities.**
- The **knowledge, skills, and abilities** associated with each essential duty or responsibility.
- **Supervisory** or work leadership duties.
- **Minimum requirements** for new employees in the job, such as education, experience, and certifications/licenses.
- **Fiscal responsibilities** including making organizational commitments which have significant financial impact.

- **Impact of action** on the City and public and the level at which employees are responsible for errors.
- **Use of discretion and independent judgement** such as the ability to make decisions that affect the overall policies of the department or organization.
- **Physical requirements** of the job (including frequency of specific physical activities and amount of lifting/moving).
- **Working environment**, including exposure to risks, hazardous situations, etc.
- **Supervisor's review**, which would include comments regarding the employee's answers, as well as opinions regarding the appropriateness of the current title, comparison to other jobs within a job series, and similar issues.

We will use the information collected through the Position Description Questionnaires 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 PDQ to determine whether it meets your expectations for these outcomes.

2. Conduct Employee Presentations

Once the PDQ content is finalized, we typically conduct employee presentations to introduce the project and to explain the PDQ process. Although the City's RFP does not specifically request these presentations, we think they can be a critical aspect to ensure employees' active participation and facilitate effective and acceptable outcomes.

We propose to conduct one (1) day of on-site presentations open to all employees who wish to attend. This will be an important time to explain the project objectives and answer questions so that employees' expectations can be managed. For example, it is important for employees to know we are not evaluating performance and that this study will not result in layoffs or salary reductions. At the same time, we will explain this study does not guarantee any pay raises or grade increases. As a part of these presentations, we will discuss each page of the PDQ, including an explanation and sample answers for each question. We recommend conducting the presentations in a large auditorium, with each session scheduled for about 1½ hours.

3. Job Analysis

Once the PDQs have been submitted to Segal, we will analyze the City's jobs. We will review each PDQ within a job title and series and document distinguishing characteristics that define a particular job title within the job family.

4. Conduct Employee Interviews

After we have received and analyzed the completed PDQs, we will conduct employee interviews, via phone/email correspondence. The purpose of these interviews is to:

- Validate and clarify information contained in the PDQs
- Understand employees' views on the key distinguishing characteristics among jobs
- Provide an opportunity for employees to voice their opinions and perceptions of the current classification structure

5. Develop and Document a Recommended Classification Structure

As the job analysis progresses, we will develop and document a recommended job classification structure for the City. This structure will contain at least the following:

- List of job titles, with titling guidelines (that is, standards for using terms such as “Coordinator,” “Manager,” or “Director” in job titles).
- Recommended minimum qualifications and requirements associated with each job title (such as education, experience, certifications, and licensing).
- Distinguishing characteristics among jobs within a job family or career path. For example, the key differences between a Secretary and an Administrative Assistant.

We anticipate recommending:

- Consolidation of class titles that have highly similar responsibilities and requirements.
- Development of new class titles for positions that reflect new or different roles, responsibilities, or requirements.
- Re-wording of class titles, based on standard occupational nomenclature or for clarity.

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

6. Recommend Individual Position Assignments to Classifications

Once the revised classification structure has been reviewed and finalized, we will recommend placement of each employee within the structure, based on information collected from the PDQs and the interviews. We 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 our recommended classification assignment.

7. Conduct FLSA Analysis

As you know, the Fair Labor Standards Act requires that employers provide overtime pay at time and one-half the regular rate of pay for all hours worked over 40 hours in a workweek. However, Section 13(a)(1) of the FLSA provides an exemption from overtime pay for employees employed as bona fide executive, administrative, professional, and outside sales employees. The U.S. Department of Labor (DOL) Wage & Hour Division (WHD) is responsible for enforcing the FLSA and provides guidance to employers through fact sheets, opinion letters, administrator interpretations, and other documents. The DOL guidance regarding overtime exemption includes information on the following exemption tests:

- Executive Exemption
- Administrative Exemption
- Learned Professional Exemption
- Creative Professional Exemption
- Computer Employee Exemption
- Outside Sales Exemption
- Highly Compensated Exemption

Segal can assist the City to determine the appropriate exemption status of each classification under the Fair Labor Standards Act (FLSA) overtime regulations using the DOL’s guidance. The Position Description Questionnaire (PDQ) will contain targeted questions to gather detailed information on job duties that the Department of Labor has identified as key determinants of exemption status for white collar jobs, such as:

- Whether an employee “customarily and regularly exercises discretion and independent judgment.”
- Whether an employee is responsible for direct supervision of others (or whose recommendations are given “particular weight” when making personnel decisions).
- Whether the job’s primary duty meets any of the DOL’s exemption tests.

Using this information, we will apply the Department of Labor’s (DOL) “duties” tests and provide guidance to the City regarding:

1. Whether jobs should be classified as Exempt or Non-Exempt
2. If a job is Exempt, which test is applicable (Executive, Administrative, Learned Professional, Creative Professional, or Computer Professional)

Our final report will contain information on:

- Each job’s current exemption status
- Our recommended exemption status
- The applicable test(s) for those positions we think are exempt from the overtime regulations
- The rationale for our recommendations

It is important to understand, however, that our recommendations regarding FLSA exemptions do not constitute a legal opinion. Our firm does not provide legal advice to our clients. You may wish to have our recommendations reviewed by independent legal counsel.

8. Apply Segal Evaluator™ Approach (Internal Equity)

Segal also offers a unique method of job evaluation called **Segal Evaluator™**. It provides our clients a consistent, quantifiable way of assigning positions to the compensation plan. Based on the objective analysis and scoring of defined criteria, or compensable factors, below, (all of which are common to jobs in county government), **Segal Evaluator™** can, at the City’s request, be used to augment the classification process described above.

Compensable Factor	Measurement
Formal Education	Measures the minimum formalized training or education that is required for entry into the position
Experience	Measures the minimum level of work experience required for entry into the position
Management/Supervision	Measures the supervisory or managerial role of the job and the degree of complexity of work performed by those being supervised
Human Collaboration Skills	Measures the job requirements of interaction with others outside direct reporting relationships
Freedom to Act/Impact of Action	Measures the degree of freedom to exercise authority as well as assesses the impact of actions
Technical Skills	Measures the job difficulty in terms of application of the knowledge required by the job
Fiscal Responsibility and/or Risk Impact	Measures the accountability and participation, if any, as it relates to the fiscal accountability for one's department or assigned area(s) of responsibility
Working Conditions	Measures the surroundings or physical conditions under which the work must be performed

The **Segal Evaluator™** job evaluation approach is a systematic process which defines an easily understood system that:

- Uses specific compensable factors across all departments and positions to create an internal hierarchy of jobs
- Provides an objective quantitative approach
- Determines values for each compensable factor and calculates a total point score for each position
- Provides an organization-wide hierarchy is developed which establishes internal equity
- Complements and co-exists with a market data to structure development

Based on information collected through the PDQ process and optional 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 our 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 Human Resources to vet job evaluation scores with each respective department.

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

EXAMPLE OF JOB ANALYSIS WORKBOOK

Segal Recommended Job Title	JE Grade	JE Points	Formal Education	Experience	Management & Supervision	Human Collaboration	Freedom to Act	Technical Skills	Fiscal Responsibility	Working Condition
Senior Management Analyst	111	643	Bachelor's Degree	3 to 5 years experience	Supervising semi complex work	Policy recommendations with moderate impact	Limited direction with moderate impact	Moderate skills and comprehensive application	Moderate fiscal responsibility	Good conditions with occasional physical effort
Management Analyst	109	509	Bachelor's Degree	1 to 3 years experience	Occasional direction of semi complex work	Policy recommendations with moderate impact	General direction with moderate impact	Moderate skills and advanced application	Moderate fiscal responsibility	Good conditions with little physical effort
Management Assistant	108	458	Bachelor's Degree	Up to 1 year experience	None	Negotiating interaction with moderate impact	General direction with moderate impact	Advanced skills and standard application	Limited fiscal responsibility	Good conditions with little physical effort
Senior Administrative Assistant	107	436	6 months + training beyond High School	3 to 5 years experience	Lead worker of semi complex work	Negotiating interaction with moderate impact	General direction with moderate impact	Standard skills and comprehensive application	Limited fiscal responsibility	Good conditions with little physical effort
Administrative Assistant III	105	360	6 months + training beyond High School	3 to 5 years experience	Occasional direction of semi complex work	Negotiating interaction with moderate impact	Procedural direction with moderate impact	Standard skills and advanced application	Limited fiscal responsibility	Good conditions with little physical effort
Administrative Assistant II	103	293	High School diploma or equivalency	1 to 3 years experience	Occasional direction of semi complex work	Advising interaction with moderate impact	Procedural direction with moderate impact	Standard skills and advanced application	Limited fiscal responsibility	Good conditions with little physical effort
Administrative Assistant I	101	194	High School diploma or equivalency	Up to 1 year experience	None	Advising interaction with moderate impact	Immediate direction with moderate impact	Standard skills and application	None	Good conditions with little physical effort

9. Develop Recommendations for Career Ladders

Based on the results of the job evaluation analysis and the market study, we 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. Our review will provide information regarding:

- How the positions are currently organized
- The current or desired differences in responsibility or work content within a job series
- How career levels are (or should be) defined
- 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.
- Similarity or differences among other job series or occupations within or across departments

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

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

It is important to note that our firm does not design or develop skills testing instruments or similar evaluation programs. Our recommendations related to methods for demonstrating skills will be based on information gathered during the PDQ review and interviews, as well as our knowledge of the occupation and experience with other clients.

In general, we have found that demonstration of knowledge, skills, and abilities can be grouped into the following three categories, in order from more rigid to more flexible:

- Successful completion of a formal training or education program, such as attainment of a specific license, certification, degree, or certificate, which is obtained through an entity outside of the employing organization (college/university, professional association, state licensing board, apprenticeship program, etc.)
- Completion of an on-the-job training program developed by (or for) the employing organization, which may include a testing instrument or other scored assessment
- Performance-related observations and information, usually collected from supervisors, managers, or other employees who are in a position to assess the employee's performance on a day-to-day basis and make a recommendation regarding the employee's level of knowledge, skills, and abilities

The extent to which the City chooses to employ any or all of these items for a particular career path will depend on the level of rigidity (or level of flexibility) that is most compatible with your culture and business model, as well as the type of occupation that is under consideration.

10. Update Job Descriptions

We understand that the City would like the consultant to prepare updated job descriptions. To support your need, we will work to determine whether you wish to maintain or modify the current format. In general, we suggest that an organization should have a consistent format for all class specifications, with an easy to read and easy to update layout. Once you have approved the basic format, we will then update the current job descriptions for all job titles using the information in the Position Description Questionnaire and employee interviews. Naturally, we will develop new specifications for any new classes that have been added to the structure because of the classification analysis.

We will deliver draft job descriptions in Microsoft Word format so that the City can review and edit the documents easily. In order to maintain a competitive price for the project, we have assumed that we will deliver draft documents and that the City's human resources staff will distribute the draft documents to department managers for their review and then human resources staff will make any edits or changes to the drafts based on this feedback.

11. Prepare a Draft and Final Report of Our Classification Findings

Once all data have been collected, reviewed, and analyzed, we will prepare a draft report detailing our methodology and findings. The report will include at least the following items:

- Background and reasons for the project
- Objectives and goals of the project
- Methodology used to conduct our analysis
- Key findings and outcomes
- Our recommendations, including potential implications of those recommendations

The City's Project Team's will review the draft report and then we will finalize the document based on your comments and input.

Our Expectations of the City for Step 2

Task/Step	The City's Project Team Role
1. Develop PDQ	<ul style="list-style-type: none"> • Review drafts and approve final PDQ • Collect PDQs from managers and department directors • Sort PDQs by job title and send to Segal
2. Conduct Employee Presentations	<ul style="list-style-type: none"> • Send invitations/announcements to employees • Reserve room and arrange for audio-visual media • Review and approve presentation language • Attend presentations
3. Analyze the Jobs	<ul style="list-style-type: none"> • Provide employee census data and information on the current job title structure in electronic format • Be available for questions and clarifications
4. Conduct Employee Interviews	<ul style="list-style-type: none"> • Assist with selecting employees to participate • Arrange for interview rooms • Facilitate scheduling and arrangements
5. Develop and Document a Recommended Classification Structure	<ul style="list-style-type: none"> • Review draft structure and provide comments • Approve final classification structure
6. Recommend Individual Position Assignments to Classifications	<ul style="list-style-type: none"> • Be available for questions and clarifications • Approve assignments
7. Conduct FLSA Analysis	<ul style="list-style-type: none"> • Provide information on current FLSA status
8. Apply Segal Evaluator™ Approach (Internal Equity)	<ul style="list-style-type: none"> • Provide information on current job evaluation approach, if applicable • Review draft and provide comments

	<ul style="list-style-type: none"> • Approve final Segal Evaluator™ approach
9. Develop Recommendations for Career Ladders	<ul style="list-style-type: none"> • Be available for questions and discussion • Review and approve proposed career ladders
10. Update Job Descriptions	<ul style="list-style-type: none"> • Provide current job descriptions in Microsoft Word • Review and edit draft job descriptions, as applicable
11. Prepare a Draft and Final Report of Our Classification Findings	<ul style="list-style-type: none"> • Review draft report, provide feedback, and approve final report

Step 3: Total Compensation (Salary and Benefits) Market Assessment

We understand the City is requesting a total compensation market study, with the following goals:

Determine Appropriate Survey Agencies & Benchmark Classifications

- Provide information and recommendations on potential agencies to be used for comparability as a survey agency
- Include organization size and function, population served, budget size, and any other criteria the City deems important
- Recommend benchmark classifications for City review, based on an analysis of the City's existing classifications, salary schedules and internal equity structure
- Recommend benchmark classifications for City review

Design, Develop, and Distribute Salary Survey Instrument

- Based on identified benchmark classes, develop a comprehensive compensation survey instrument designed to ensure the effective collection of salary and benefit information from the identified survey agencies
- The survey instrument will include the minimum and maximum monthly salaries and relevant benefits for each classification to include base salary, cash supplements, certification pay, auto allowance, employer-paid insurance premium contributions for health, dental, vision insurance, life insurance and AD&D insurance, leave benefits including holidays, sick leave, administrative leave (comp time), and vacation
- Leave data will be summarized in separate tables to determine common practices
- Contact survey agencies to request copies of organization charts, salary schedules, class specifications, and related documentation to verify and confirm an appropriate match between the City's classifications and each survey agency's comparable classes.

Design and Develop Data Spreadsheets

- Incorporate appropriate formulas into spreadsheets that produce easily readable labor market data
- The labor market data analyses will be conducted based upon policy direction from the City with respect to its proposed labor market position
- Special tables will be developed to display the results of survey on various leave practices such as holiday, vacation, etc.

Review, Analyze, and Validate Labor Market Survey Data

- Collect, analyze, and place survey data into data spreadsheets
- In conjunction with the survey data received from each labor market agency, review additional background information (e.g., organization charts, salary schedules, position control documents, classification specifications, and related documentation)

- Audit the salary survey information and contact the benchmark agencies with any issues, concerns, or questions on the data to ensure the matches are accurate

Conduct External Market and Internal Equity Analysis; Prepare Draft Salary Recommendations

- Develop an internal equity chart showing how all the City's classes relate to the benchmark classes
- Analyze the salary survey data and internal salary relationships provided in the internal equity chart to develop salary recommendations and allocate each classification to the appropriate salary range based upon the labor market data and internal equity analysis
- Consider factors such as the City's ability to recruit and retain employees in the current labor market, while also maintaining key internal relationships

Prepare and Submit Draft Compensation Report

- Develop a draft report detailing the results of the labor market survey and draft salary recommendations
- Include: market-based salary findings; total compensation findings; leave data; internal equity analysis; implementation strategies; and, summary of market trends
- Meet with City management staff to present the draft plan and review the recommendations
- Address any issues, concerns, and comments prior to the preparation of the final compensation report
- Final report shall include a recommendation for where to place each individual employees on their respective revised pay scale

To conduct a valid, reliable, and useful market study, we propose to take the following steps:

1. Develop a market study methodology
2. Identify Benchmark Job Titles and Comparable Employers to Survey
3. Collect and analyze the market data
4. Determine Total Compensation Market Position
5. Develop Recommendations
6. Prepare a draft and final report of our findings

These steps are described in more detail below and on the following pages.

1. Develop a Study Methodology

We think that it is important for Segal and the Project Team to gain consensus on the City's overall goals and strategy regarding total compensation, as well as to develop a strategy for conducting the market study that is consistent with the desired goals and strategy. We will work with the City's Project Team to clarify and finalize the market study methodology, including addressing some key questions, such as:

- Does the City compete for employees in both the public and private sectors? Who are the primary competitors for talent? That is, where do new employees come from and where do they go?
- Does the City want to learn about other employers' compensation policies, such as how salary increases and adjustments are determined?
- Is it important to consider other forms of compensation, such as pay supplements, benefits, and paid leave when determining your competitive market position?

Our 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 us to develop and conduct a market study that is consistent with the City's compensation goals and will support the City's expectations. For this project, we recommend conducting a custom-designed survey targeted to your public sector peer employers, while using published sources to represent private sector pay data. We recommend this for the following reasons:

- Custom surveys provide the most currently available data.
- Custom surveys allow you to target specific geographic markets, employers, and specific jobs.
- Custom surveys allow you to collect information that is not usually available in published data sources, such as scheduled salary ranges, pay supplements, compensation policies, union status, benefits, etc.
- Published sources may be the only method of gathering private sector data, since these organizations very rarely respond to market surveys from other employers.

Additionally, we will work with the City's Project Team to identify unique occupational groups that may fall outside the job evaluation plan and require a distinct approach to data gathering.

2. Identify Benchmark Job Titles and Comparable Employers to Survey

We understand that this project covers approximately 277 full-time, part-time and executive job classification titles as benchmarks for the market study. Working with the City's Project Team, we will develop a recommended list of up to 100 benchmark jobs to include in the market study. We will develop a benchmark job title analysis that captures a broad array of occupational groups, departments, and pay levels throughout the City.

The next step will be to determine the comparable employers to include in the study. Typically, these employers include public sector entities that are geographically proximate to the City and are likely to have matching jobs. 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. Naturally, we will discuss this list with the Project Team and make modifications as necessary. For pricing purposes, we have assumed 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.

As you may know, private sector organizations very rarely respond to employer-sponsored market surveys, especially when they know that the information could be made public through a Freedom of Information Act request. Consequently, if you wish to include private sector data in this study, we will draw on data contained in nationally recognized published data sources, such as CompAnalyst, PayFactors, Willis Towers Watson, Economic Research Institute (ERI), etc. However, published data sources do not usually differentiate between unionized and non-unionized employees. This could be a sensitive issue in collective bargaining. We will identify specific sources appropriate to the City, once we are engaged for this project.

3. Collect the and Analyze the Market Data

We will also design a survey instrument for collecting the market information, which we will distribute in either hard copy or electronic format, as necessary. Typically, we include questions regarding the following:

- Benchmark job base pay ranges (minimum and maximum monthly pay rates)
- FLSA (Fair Labor Standards Act) status of all surveyed positions
- Supplemental pay practices (such as additions for special skills, bilingual pay, performance bonuses, etc.)
- Cash supplements (such as auto allowance, etc.)
- Paid time off accrual rates (vacation time, sick leave, and holidays)
- Prevalence, cost, and cost-sharing arrangements for medical plans and other benefits (prescription drugs, dental, vision, etc.)
- Prevalence and costs associated with retirement programs
- Prevalence of supplemental benefits and perquisites (such as wellness programs, tuition assistance, etc.)

We will also draft brief job summaries for each benchmark title based on current job descriptions to assist the survey participants with matching jobs consistently and appropriately. Once the Project Team has reviewed and approved the survey document, we will distribute the survey to the approved group of comparable employers. We make many efforts to achieve the goal of 100% participation from each invited employer, yet we cannot guarantee that we will obtain good data from each of the employers invited to participate and for all of the jobs requested.

Respondents will return completed surveys and supplementary materials (e.g., salary structures and policy descriptions) directly to Segal. We 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. Segal will design a database in Microsoft Access to support our analysis. This database will become the property of the City, **at no additional cost**, upon completion of this project for your future analyses. We will populate the database with the information collected from the surveys and include any private sector data from published data sources, as applicable.

Based on discussion with the Project Team we 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.

We will then 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. We 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 our final report.

To the extent that different employer groups or industry sectors are included in the study, we will segment our findings accordingly. In addition, if applicable, we will geographically adjust market data for respondents outside of the metro area, using current cost of labor differentials

from ERI Geographic Assessor. Our report will include summary tables, such as the tables shown below.

**EXAMPLE TABLE 1
CLIENT MARKET POSITION BY SECTOR—PAY ONLY**

Market Sector	Client Pay Ranges as a Percent of the Market Average		
	Pay Range Minimum	Pay Range Midpoint	Pay Range Maximum
Public Sector	106%	101%	97%
Private Sector	83%	80%	75%
Overall	100%	95%	90%

Figures shown in **red** are below market (less than 95% of the market average)
 Figures shown in **black** within the market range (95% to 105% of the market average)
 Figures shown in **blue** are above market (more than 105% of the market average)

**EXAMPLE TABLE 2
CLIENT OVERALL MARKET POSITION—PAY ONLY**

Job Family and Benchmark Title	# of Matches	Client as a % of the Overall Market Average		
		Pay Range Minimum	Pay Range Midpoint	Pay Range Maximum
Accounting/Finance/Business				
Account Clerk II	12	92%	88%	85%
Senior Buyer	13	113%	110%	107%
Senior Financial Analyst	12	102%	97%	93%
Buildings and Facilities				
Maintenance Mechanic II	13	94%	91%	88%
Building Operations Supervisor	13	114%	110%	106%
Building Operations Manager	13	116%	109%	102%
Engineering				
Senior Engineering Technician	11	102%	100%	98%
Senior Civil Engineer	12	96%	91%	87%
Engineering Services Manager	13	95%	88%	82%
Fleet Maintenance				
Mechanic	12	100%	93%	87%
Fleet Manager	9	112%	104%	98%
Human Resources				
Human Resources Assistant	13	95%	94%	92%
Human Resources Analyst	13	91%	87%	82%
Job Family XXX				
Benchmark Job Title XXX	12	90%	97%	100%
Benchmark Job Title XXX	13	89%	93%	96%

In addition, our report will include detailed data showing each comparator's job match, salary range, and other information for each benchmark title, as shown below.

**EXAMPLE TABLE 3
APPENDIX B – DETAILED MARKET DATA (ADJUSTED)**

Director of Engineering & Construction Transit Service Planning						
Respondent	Matching Job Title	Workweek	FLSA Status	Pay Range Minimum	Pay Range Midpoint	Pay Range Maximum
Public Sector Transit Data Sources						
Transit Peer #1	Director Capital Projects	40.0	Exempt	\$78,232	\$101,702	\$125,172
Transit Peer #2	No Match		NA	NA	NA	NA
Transit Peer #3	Dir. Engineering	37.5	Exempt	\$82,785	\$103,481	\$124,177
Transit Peer #4	No Match		NA	NA	NA	NA
Transit Peer #5	No Match		NA	NA	NA	NA
Transit Peer #6	No Match		NA	NA	NA	NA
Transit Peer #7	Director of Technical Support & Capital	40.0	Exempt	\$84,391	\$105,483	\$126,575
Transit Peer #8	Managing Director, Design & Construction	40.0	Exempt	\$112,202	\$140,251	\$168,301
Transit Peer #9	Deputy Chief, Construction & Design Eng.	37.5	Exempt	\$109,102	\$136,378	\$163,653
Client		40.0	Exempt	\$74,078	\$94,178	\$114,278
Public Sector Transit Market Average				\$93,342	\$117,459	\$141,576
Client as a % of Public Sector Transit Market Average				79%	80%	81%
Published Data Sources						
CompAnalyst	Engineering Director	40	NA	\$140,000	\$157,000	\$175,400
ERI	Engineering Director	40	NA	\$128,266	\$152,786	\$184,704
Willis Towers Watson	Engineering Generalist M3 - Sr Mgr.	40	NA	\$119,033	\$138,346	\$145,441
Client		40	Exempt	\$74,078	\$94,178	\$114,278
Published Market Average				\$129,100	\$149,377	\$168,515
Client as a % of Published Market Average				57%	63%	68%
Client				\$74,078	\$94,178	\$114,278
Overall Comparator Market Average				\$111,221	\$133,418	\$155,045
Client as a % of Overall Market Average				67%	71%	74%
Adjustment Needed to Reach Market Average				50%	42%	36%

BENCHMARK JOB SUMMARY: Oversees and directs the Engineering & Construction Department and final phases of capital improvement projects. Coordinates activities with other departments, divisions and outside agencies; and provides highly responsible and complex administration support. **MINIMUM REQUIREMENTS:** Bachelor's degree in Civil Engineering or related field and five (5) years of experience.

Our report will also include tables showing each survey respondent’s pay policies, benefit offerings, and other information collected in the study, such as in the tables shown below.

**EXAMPLE TABLE 4
VACATION ACCRUAL—PUBLIC SECTOR**

Public Sector Peer Employer	Vacation Days Accrued per Year, after how many years of service						
	1	6	10	15	20	25	30
Peer Name	10	12.5	15	20	25	25	27
Peer Name	12	17	22	27	27	32	32
Peer Name	13	16	19	22	25	28	31
Peer Name	10	15	20	25	30	30	35
Peer Name	10	15	19	25	30	30	30
Peer Name	10	15	20	20	25	25	25
Etc.	12	14	17	20	23	23	23
Market Average	10.9	15.0	18.5	22.3	25.5	26.2	27.0
Client	10	10	15	20	20	25	25

**EXAMPLE TABLE 5
PPO/POS PLAN MONTHLY COSTS**

Peer Employer	Employer \$		Employee \$		Employer %	
	Single	Family	Single	Family	Single	Family
Peer Name	\$485	\$1,209	\$508	\$1,270	49%	49%
Peer Name	\$708	\$2,115	\$85	\$266	89%	89%
Peer Name	\$609	\$1,703	\$41	\$118	94%	94%
Peer Name	\$623	\$1,755	\$0	\$378	100%	82%
Peer Name	\$611	\$1,346	\$25	\$150	96%	90%
Peer Name	\$569	\$1,681	\$145	\$600	80%	74%
Peer Name	\$600	\$1,044	\$85	\$485	88%	68%
Etc.	\$469	\$1,457	\$56	\$170	89%	90%
Market Average	\$597	\$1,499	\$106	\$369	86%	81%
Client	\$xxx	\$x,xxx	\$xx	\$xx	xx%	xx%

Monthly costs have been rounded to the nearest dollar
PPO/POS = Preferred Provider Organization or Point of Service Plan

**EXAMPLE TABLE 6
DEFINED BENEFIT PLAN CONTRIBUTIONS—
PUBLIC SECTOR**

Survey Participant	Defined Benefit			Defined Contribution Plan		Deferred Compensation Plan		Social Security Contribution			Total Employer Contribution
	Employer Normal Cost Contribution	EE Contribution Cost Picked up by ER?	EE Contribution	Employer Contribution	Maximum Match	Employer Contribution	Maximum Match	Contribute to SS?	OSADI	Medicare	
Peer #1	4.10%	No	3.50%			3.00%	3.00%	Yes	6.20%	1.45%	17.75%
Peer #2	6.02%	No	9.00%			N/A	N/A	Yes	6.20%	1.45%	13.67%
Peer #3	4.88%	No	6.25%			N/A	N/A	Yes	6.20%	1.45%	12.53%
Peer #4	4.61%	No	5.00%	0.58%	2.50%	N/A	N/A	Yes	6.20%	1.45%	15.34%
Peer #5	13.10%	N/A	4.40%	1.00%	4.00%	N/A	N/A	Yes	6.20%	1.45%	25.75%
Peer #6	6.09%	No	3.00%			N/A	N/A	Yes	6.20%	1.45%	13.74%
Peer #7	1.61%	No	3.00%	1.00%	2.00%	N/A	N/A	Yes	6.20%	1.45%	12.26%
Peer #8	3.83%	No	6.75%			N/A	N/A	Yes	6.20%	1.45%	11.48%
Peer #9	2.66%	No	7.50%			N/A	N/A	Yes	6.20%	1.45%	10.31%
Peer #10	9.20%	No	3.50%			N/A	N/A	Yes	6.20%	1.45%	16.85%
Peer #11	4.48%	No	6.00%			N/A	N/A	Yes	6.20%	1.45%	12.13%
Peer #12	7.20%	No	3.00%			N/A	N/A	Yes	6.20%	1.45%	14.85%
Participant Average											14.72%
Client	6.44%	No	5.00%					Yes	6.20%	1.45%	14.09%

4. Determine Total Compensation Market Position

We 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. We will compare the City’s total compensation costs to the market.

**EXAMPLE TABLE 7
TOTAL COMPENSATION ANALYSIS SUMMARY**

	Base Salary	Annual Employer Cost of Benefits		
	Pay Range Midpoint	Health Benefit Costs	Retirement Benefit Costs	Total Compensation
ACCOUNTING ASSISTANT				
Client	\$35,000	\$12,597	\$2,800	\$50,447
Market Average	\$37,758	\$11,540	\$2,643	\$52,002
Client as % of Market	93%			97%
FINANCE DIRECTOR				
Client	\$130,000	\$12,597	\$10,400	\$153,047
Market Average	\$145,000	\$11,540	\$10,150	\$166,751
Client as % of Market	90%			92%
TECHNOLOGY SPECIALIST				
Client	\$52,000	\$12,597	\$4,160	\$68,807
Market Average	\$55,500	\$11,540	\$3,885	\$70,986
Client as % of Market	94%			97%

5. Develop Recommendations

Once all data have been collected, reviewed, and analyzed, we will prepare a report detailing our methodology and findings. Based on the findings of the market study and with the guidance of the Project Team, we will then develop revised salary schedules for the City. For this step in the project, we propose the following steps:

- Design a Recommended Salary Schedule
- Recommend Placement of Each Job on the Salary Schedule (i.e., assign jobs to pay grades)
- Determine Cost Impact
- Assist with Implementation

Design a Recommended Salary Schedule

Once the market study report has been finalized, we will develop recommended new salary structures that are consistent with the market findings and the City’s pay philosophy. We anticipate that the pay schedule will consist of pay grades with minimum, midpoint, and maximum pay rates. Typically, we construct pay schedules to have consistent intervals between grades (usually 5% to 10%) as well as consistent range widths (typically 40% to 60%). The pay

structure may include either steps or open ranges depending on the pay philosophy of the City. We will work with the City's Project Team to determine the most appropriate structure for your organization.

Recommend Pay Grade Assignments

We will then recommend grade assignments for all jobs covered by the study. First, we will recommend grade assignments for benchmark jobs based on the market study findings. Typically, our goal is to identify the grade that is within 5% of the market average at the midpoint. Our recommendations will be based on job content similarities and differences that were identified such as minimum qualifications, scope of responsibilities, supervisory role, and other considerations.

Last, we will review the grade assignments with the Project Team, highlighting situations that represent significant change from the current pay relationships. Once you have had an opportunity to review and internally vet the recommendations, we will finalize the grade assignments as part of our final recommendations. Our goal will be to ensure the new system 1) is market based, 2) considers the comparable worth based on job duties and competencies, and 3) is easily understood and used by managers and employees.

Determine Cost Impact

Once the Project Team has reviewed and approved the new pay schedule and grade assignments, we will calculate the initial and long run cost of implementation broken out by represented and non-represented employees. This will require determining rules for placing current employees within the new pay ranges. While the prior steps determined the grade assignment for each position, this step involves determining each employee's salary within the assigned grade of the revised pay structure on the day of implementation. We will work with you to determine the placement criteria. These criteria could include factors such as:

- Time the employee has been in the position
- Time the employee has worked for the City
- Current position in the salary range
- Desired market position for individual salaries
- Internal equity and pay compression considerations
- Results of recent performance appraisals

Based on the guidance of the Project Team regarding these criteria, we will identify each employee's recommended salary within the applicable pay range and will then determine the first year annual cost and long run cost of implementing the new pay schedule. Since we understand that successful implementation may depend heavily on the cost of implementation, we have assumed that we will model up to two different cost estimates, based on the Project Team's direction. This process typically involves estimating the cost of implementing the recommendations as approved by the Team, then conducting a second cost estimate based on revised criteria for implementation.

Assist with Implementation

Our extensive work with the public sector makes us sensitive to the importance of planning for adequate input (and in some cases formal approval) by a variety of stakeholders such as employee groups, department directors, senior executives, elected officials, and others. Because it is difficult to predict with any certainty exactly what kind of implementation assistance will be required for this project, our fee assumes consulting time that could include such activities as the following:

- Developing an implementation schedule that takes into consideration potential phased approaches, based on the City’s operational priorities, culture, and availability of funding
- Drafting a check list of the items that will need to be addressed prior to implementing the recommended changes
- Assisting the City with supporting or defending the study results and recommendations with key stakeholders or officials
- Preparing presentation materials for decision makers
- Assisting with developing employee communication materials

We plan on providing a training session with the City’s Human Resources staff to transfer the tools, methodologies, and recommendations. This session will include a description of the analytic processes that we used to conduct the study, as well as assistance with defining the operational needs that result from the potential changes in policy. For pricing purposes, we anticipate up one day of Segal’s time will be dedicated to training the City staff.

6. Develop Draft Report

Segal will develop a draft report for review by the City’s Project Team that will include at least the following items:

- An Executive Summary, briefly describing our key findings
- A description of the study objectives and methodology
- The City’s competitive market position for pay, applicable to each benchmark job title and job family
- The prevailing policies regarding pay and other compensation-related practices collected in the survey
- Appendices showing detailed information collected for the market study
- Paid time off policies for each surveyed employer
- The costs for medical coverage, supplemental benefits, and retirement plans among the surveyed employers
- The City total compensation market position

The City’s Project Team’s will review the draft report and then we will finalize the document based on your comments and input.

Expectations of the City for Step 3

Task/Step	The City’s Project Team Role
1. Develop Compensation Strategy and Market Study Methodology	<ul style="list-style-type: none"> • Meet with Segal staff, provide direction on strategy and methodology
2. Identify Benchmark Jobs and Comparable Employers	<ul style="list-style-type: none"> • Review and approve list of benchmarks • Review and approve list of comparators
3. Collect and Analyze the Market Data	<ul style="list-style-type: none"> • Review and approve survey document • Assist with contacting survey recipients, if necessary • Complete survey on behalf of the City
4. Determine Market Position	<ul style="list-style-type: none"> • The City does not have role in this step
5. Develop Recommendations	<ul style="list-style-type: none"> • Be available for questions
Design a Recommended Salary Schedule	<ul style="list-style-type: none"> • Discuss objectives/goals with the Segal team, provide direction and input • Review and approve pay schedule design
Recommend Pay Grade Assignments	<ul style="list-style-type: none"> • Provide information on current pay grade assignments • Be available for questions and discussion • Review and approve methodology and pay grade assignments

Task/Step	The City's Project Team Role
Determine Cost Impact	<ul style="list-style-type: none"> • Provide employee census information • Provide information on fiscal ability and conditions • Discuss and approve implementation criteria • Review and approve cost model
Assist with Implementation	<ul style="list-style-type: none"> • Determine assistance needed • Provide direction to the Segal team • Coordinate logistics for the HR training session
6. Prepare Draft Report	<ul style="list-style-type: none"> • Be available for questions or clarification of policies

Step 4: Recommendations Development (Audit of Compensation Practices)

We understand that the City would like the consultant to review and observe existing compensation practices and, at the conclusion of the study, make recommendations for improvements that will make Richmond's practices consistent with best demonstrated practices in other cities. Based on the information collected from the peers in the market study and Segal's extensive knowledge of public sector best practices, we will also work with you to develop compensation policies that are appropriate for the City and consistent with market practices. These may include the following:

- **Salary administration and pay plan maintenance**
- **Pay compression policies:** best practices on how to address compression
- **Pay equity policies:** ensuring equal work for equal pay, as well as ensuring the absence of pay disparities; recommended actions to correct any unlawful pay differentials that were identified by the gender pay equity study
- **Living wage pay:** how to address paying a living wage and a method to accommodate annual adjustments, if needed, without impacting the integrity of the pay structure
- **Minimum wage increases:** recommendations for incorporating a rising minimum wage into the City's pay structure
- **Pay progression methods:** to include sound practices to mitigate pay compression, promote equity, and recognize employee professional development
- **Pay progression policies:** a plan to adjust salaries up/down when assignments are changed and when an employee is placed in another category or pay grade
- **Incentives needed to reduce high turnover:** what types of incentives can be offered to attract and retain employees in roles with historically high turnover
- **Incentives needed to attract mission critical positions:** what types of incentives can be offered to attract and retain employees in mission critical positions, or how to compensate for hard-to-fill positions where competition for talent is strong
- **Special circumstances:** how to address compensation for special achievements not captured in an employee's work plan/job standards
- **Performance-based pay:** whether base salary adjustments can occur based on performance, whether bonuses can be awarded based on individual or group performance, etc.
- **Special pay and certification circumstances:** methods to compensation non-certified employees who earn degrees beyond the required minimum and at the same levels established for certified employees
- **Hiring salary practices and policies:** 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

- **Pay supplements and additions to base pay:** such as pay for interim positions, special skills or competencies, shift differentials, on-call or call-back pay, etc.
- **Other related policies:** such as promotional guarantees, reclassifications, etc.

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

Our Expectations of the City for Step 4

Task/Step	The City's Project Team Role
Recommendations Development (Audit of Compensation Practices)	<ul style="list-style-type: none"> • Provide information on current pay policies • Discuss potential options for policies with the Segal team • Review and approve pay policy language

Step 5: Present Final Results to the City

We anticipate presenting the final results to the City Council, management staff and other parties as needed. While it is difficult to anticipate at this time the exact nature of this presentation, our price proposal assumes we will develop and deliver one on-site presentation that will contain at least the following elements:

- Background and reasons for the project
- Objectives and goals of the project
- Methodology used to conduct our analysis
- Key findings and outcomes
- Our recommendations, including potential implications of those recommendations

We will draft the presentation for the Project Team’s review, and then will finalize the document based on your comments and input. We anticipate that a senior member of the Segal Team will deliver the presentation, in conjunction with a senior member of the City’s Project Team.

Project Timeline

We understand that the City anticipates beginning this project by February 2020. Our project team is available to begin this project upon award of contract. Following is proposed timeline for this project. During our initial meeting with the City project team we will finalize the timeline and specific dates for deliverables

ANTICIPATED TIMELINE IN MONTHS

Step	1	2	3	4	5	6	7
Step 1: Project Initiation							
Step 2: Classification Analysis							
Step 3: Total Compensation Market Assessment							
Step 4: Recommendations Development (Audit of Compensation Practices)							
Step 5: Present Final Results							

D. Segal's Project Team

We bring to this project an excellent combination of skills and experience in public sector compensation, classification and performance management analysis and design.

The project team consists of experienced consultants who are dedicated to meeting the needs of the City in a manner that is cost efficient, timely, and of high quality.

- Certified Compensation Professional (CCP) through WorldatWork
- Professional (PHR), Senior Professional in Human Resources (SPHR) and SHRM Senior Certified Professional (SHRM-SCP) through the Society for Human Resources Management (SHRM)
- Certified Change Management Professional (CMP) through the Association of Change Management Professionals (ACMP)

Staff Member	Role
Elliot R. Susseles, CCP	National Practice Leader
Ruth Ann Eledge, SPHR	Senior Consultant, Client Relationship Manager
Cristy Reetz*	Consultant, Project Manager
Lauralee Adams, CCP, PHR, SHRM-CP	Senior Associate (Analyst)
Joyce C. Powell, CCP	Senior Associate (Analyst)

*Team members who are working towards obtaining Certified Compensation Professional (CCP) designation through WorldatWork.

We invite you to review the resume of each team member on the following pages.

E. Qualifications

About Our Company

Company History and Staff

The Segal Group was founded as the Martin E. Segal Company in October 1939, early in the development of employee benefit plans in American industry. From the beginning, Segal has been involved in developing health and retirement programs that meet the needs of employees and employers.

Through our history, we've built a group of brand names you've come to count on for truly personal actuarial and investment expertise aimed at one mission: delivering trusted advice that improves lives. *Today in 2020, we now formally operate under one name: Segal.*

Segal, Segal Benz and Segal Marco Advisors are all members of the Segal family. While company names and logos have evolved over the firm's 80-year history, we remain an employee-owned firm known for providing unbiased consulting based on the integrity, expertise, personal investment and trusted advice of our people.

The Segal Group is a founding member of the Multinational Group of Actuaries and Consultants (MGAC), whose member companies across the world meet clients' needs for assistance in international benefits planning

The Segal Group is a private corporation owned by its active officers, with no shareholder owning more than 5% of the common stock. Our firm's chief officers are:

- Joseph Lo Cicero – Chairman
- David Blumenstein – President and Chief Executive Officer
- Ricardo DiBartolo – Senior Vice President, Chief Financial Officer and Treasurer
- Kimberly Banks MacKay, Esq. – Secretary and General Counsel

Company Organization Chart

★ Segal	★ SEGAL BENZ	★ Segal Marco Advisors	
Our teams help a wide range of industries. No matter who you are, we can assist you with:			
Administration and Technology Consulting	HR and Benefits Technology Insurance	Benefits Communication	Advisor Solutions for Financial Intermediaries
Benefit Audit Solutions	Organizational Effectiveness	Communication Strategy	Corporate Governance and Proxy Voting
Compliance	Performance and Rewards	Personalized Benefit Statements	Defined Contribution Consulting
Health and Welfare Benefits	Retirement Benefits	Surveys and Focus Groups	Discretionary Consulting
		Website and Portal Design	Investment Solutions
			Traditional Consulting
 Not any solution—your solution. Personalized advice and help.			

The Segal Group is owned by its employees and, accordingly, its financial statements are not released to the public nor to any of the financial credit rating services. Our statements are audited annually by CohnReznick LLP who provide us with an unqualified report.

Annual revenues for 2018 were approximately \$253 million (this figure includes member companies Segal Consulting, Sibson Consulting, Segal Rogerscasey, and Segal Select Insurance Services), and The Segal Group has been profitable throughout its history.

Segal has offered consulting services dedicated to our public sector and collectively bargained clients, since 1997, including:

- Total compensation market studies
- Total compensation system design and implementation
- Job classification analyses
- Performance management system design and implementation
- Employee opinion surveys
- Cost modeling
- Pay equity analysis

Our consulting philosophy is to work closely with our clients to develop customized approaches to their specific needs. We do not use “off-the-shelf” systems. The primary theme of our consulting approach is to maximize the value of total rewards by encouraging employee participation in the projects. This is crucial to a successful outcome.

References

Our references are the same clients listed in the previous section under “Similar Project Conducted by Segal Project Team Members”.

F. Cost Proposal/Fee Schedule

Segal is fully aware of the sensitivity of budget allocations for public sector employers. We believe that you will find our approach focused toward achieving the City's objectives in the most cost-effective manner consistent with quality, accuracy, and timeliness.

Project Step	Fixed Fee
Step 1: Project Initiation Assumes we conduct one on-site meeting with the City's Project Team and conduct stakeholder interviews, as well as time associated with learning about the City's current compensation structures, policies, and practices. Develop a compensation philosophy and communication plan.	\$10,000
Step 2: Classification Analysis Assumes the following: <ul style="list-style-type: none"> • Develop one customized Position Description Questionnaire (PDQ) • Analyze up to 277 job titles covering 963 full-time, part-time and executive employees • Conduct 1 day of employee presentations • Conduct up to two (2) consecutive days of employee interviews, as needed, either on-site or via phone/email correspondence • Develop a recommended classification structure (one draft, one final) • Recommend assignments of individual positions to job titles • Conduct FLSA Exemption Analysis • Apply Segal Evaluator™ Approach (Internal Equity) • Develop Recommendations for Career Ladders • Update Job Descriptions • Develop Draft and Final Reports 	\$150,000
Step 3: Total Compensation (Salary and Benefits) Market Assessment Assumes the following: <ul style="list-style-type: none"> • Develop a customized total compensation market survey document with up to 100 benchmark represented and non-represented job titles, to be distributed to no more than 12 public sector peer employers, as well as the use of up to three (3) published data sources to represent the private sector market • Develop pay schedule(s) to cover all jobs covered by the study • Recommend grade assignments for all job titles covered by the study • Estimate the cost of implementing the recommended pay schedule, including recommendations regarding placement of each benchmarked positions within the pay ranges, as well as one revised estimate based on Project Team's review and revisions • Assist with implementation – one on-site training session to Human Resources staff • One draft and one final report of the market study findings 	\$75,000
Step 4: Recommendations Development (Audit of Compensation Practices) Assumes the following: <ul style="list-style-type: none"> • Draft language for recommended compensation policies 	\$5,000
Step 5: Present Final Results to the City Assumes we develop and deliver on-site presentation(s) to the City Council, management staff and other parties as needed (assumes one day on-site)	\$10,000
TOTAL FIXED FEE (Without Optional Services)	\$250,000

Project Step	Fixed Fee
Optional Services: Additional Days On-Site (includes travel costs)	\$5,000 per day

Our total fixed fee (without optional services) represents the City’s investment of approximately \$260 for each employee.

Our proposed fee includes charges for all professional, analytic, and administrative services, as well as all expenses associated with materials, supplies, overhead, and travel for all tasks outlined in this proposal except as otherwise noted. Our total fixed fee will be billed at the end of each month in 6 equal invoices for \$40,000 and a final invoice for \$10,000 upon completion of the project.

Travel expenses for meetings scheduled less than one week in advance will be charged additionally. If a scheduled meeting is cancelled by the client, any non-refundable travel expenses will be billed to the client at cost.

To the extent our proposed scope and fees differ from your needs or the level of effort described in other proposals you may receive, Segal is prepared to discuss alternatives to the fees stipulated in our proposal. Our proposed fee assumes only the services and on-site meetings described in the proposal. Should the City request additional services or additional on-site meetings, we would charge the hourly rates shown below, as well as for the time and expenses associated with travel.

Staff Member	Title/Role	2020 Standard Hourly Rates
Elliot R. Susseles	Senior Vice President, National Practice Leader	\$475
Ruth Ann Eledge	Vice President, Senior Consultant, Project Manager	\$400
Cristy Reetz	Consultant, Project Manager	\$325
Lauralee Adams	Senior Associate	\$285
Joyce Powell	Senior Associate	\$285

Preferred Payment Information

For your convenience, invoices can be paid by check or wire transfer. Please see the following information included below.

By Check	By Wire Transfer
P. O. Box 4070 Church Street Station New York, NY 10261-4070	JP MORGAN/CHASE BANK Acct Name: THE SEGAL COMPANY (WESTERNSTATES) INC. Acct Type: CHECKING Acct #: 1440-74105 ABA #: 021000021
Please return a copy of this Remittance Advice with your check to assist us in crediting your account.	Please reference client name and invoice.

G. Value Added Services

Value-Added Services at No Additional Cost

- Upon completion of the project, Segal will provide the City with our **Segal Evaluator™ job evaluation tool (in Excel format), at no additional cost.** The City can continue to use the tool to adapt, modify, and change in the future as jobs are added, removed, or changed
- A **database of all market data** collected and analyzed during the total compensation survey, which will include all of the **data tables, queries, formulas, and reports** needed to replicate the study in future years or to conduct further analysis of the market information (including training for HR staff and an operational manual for the database).
- All **analytic tools and materials** developed for this project with no maintenance fees. These tools and materials are developed in standard Microsoft software (Word, Excel, PowerPoint) and include the market survey document, job description questionnaire, workbooks for modeling pay plan design scenarios, and similar items.
- Information and insights regarding **current HR trends and prevailing compensation practices** within California, based on our experience with other local area employers.

Distinguishing Characteristics

Our approach is flexible and designed to meet the needs of the City of Richmond. We believe the following combined aspects of our firm make us highly qualified to best serve you.

- **Application of Deep Expertise:** Segal staff are public sector practitioners. We apply our expertise and organizational knowledge based on innovative solutions.
- **Experience with Collectively Bargained Workforces:** We provide a fair and objective perspective. Our reputation and sensitivity have achieved project successes in collectively bargained organizations nationwide.
- **Strategic and Collaborative Approach:** We take the time to share progress and confirm and insights gained throughout each step of the project.
- **Team Consistency:** Our project team will be the team you work with throughout the project. You will work with our senior consultants day-to-day.
- **Customized, Practical and Enduring Solutions:** We are creative yet practical in the solutions we develop for you. All project tools are provided at no additional cost for your future needs.

Staying Current with Best Practices and Trends / Fluency with Laws

Our team has relevant advanced degrees and professional certifications including Certified Compensation Professional (CCP) through WorldatWork, Senior Professional in Human Resources (SPHR) through the Society for Human Resources Management (SHRM), and International Public Management Association for Human Resources (IPMA-HR). Many of our team members are working towards obtaining Certified Compensation Professional (CCP) designation through WorldatWork.

Throughout the year, our consulting team participates in on-going internal training sessions that address best practices in classification and compensation analysis along with the impact of new or revised legislation that impacts the administration of pay and benefits to public sector employees. Also, as ongoing members of WorldatWork, the Society for Human Resources Management and International Public Management Association for Human Resources, we are notified of current trends in human resources consulting and offered additional training opportunities.

Additionally, due to our extensive experience with California clients we understand the specific regulations and laws specific to public sector employers in California.

Secure File Transfer (SFT)

Segal has deployed a user-friendly extranet system utilizing Secure File Transfer (SFT) technology to allow our clients and consulting teams to share and exchange information and documents. This initiative was a direct response to client requests for a way to easily collaborate with our consultants as well as compile and store their project's data.

Segal's extranet uses encrypted login and password protection. Our consultants and IT staff worked together to ensure that the technology used for the SFT would meet Segal's high standard for security of client information.

Segal's SFT is an integrated part of our services—extra fees are not incurred for setup or use of a client extranet site.

Segal Consulting has the demonstrated ability to collect, handle and maintain sensitive and/or confidential information. We are willing to sign any necessary confidentiality agreements pertaining to confidential personnel information and must use secure email.

H. Exceptions to this Request for Proposals

Segal reserves the right to negotiate mutually agreeable final terms and conditions of the contract if awarded the engagement.

For the Contract between the City of
Richmond and
The Segal Group Inc, (Western States) dba
Segal

**EXHIBIT B
PAYMENT PROVISIONS**

{PLEASE NOTE THAT THE CITY OF RICHMOND SHALL NOT PAY FOR SERVICES THAT EXCEED THE CONTRACT PAYMENT LIMIT UNLESS A CONTRACT AMENDMENT HAS BEEN APPROVED BY THE CITY COUNCIL OR THE CITY MANAGER}

1. Provided Contractor is not in default under this Contract, Contractor shall be compensated as provided below.
2. Any and all payments made pursuant to this Contract shall be subject to the Contract Payment Limit. The Payment Limit includes expenses (phones, photo copying, meals and travel etc). Invoices, shall be adequately detailed, based on accurate records, and be in a form reasonably satisfactory to the City. Contractor may be required to provide back-up material upon request.
3. Contractor shall submit timely invoices to the following address:

Attention: City of Richmond, Finance Department - Accounts Payable
Project Manager: Donna Newton Department: Human Resources
PO Box 4046
Richmond, CA 94804-0046
4. All invoices that are submitted by Contractor shall be subject to the approval of the City's Project Manager, Donna Newton before payments shall be authorized.
5. The City will pay invoice(s) within 45 days after completion of services to the City's satisfaction. The City shall not pay late fees or interest.
6. A Richmond business license shall be obtained before any payment under this Contract shall be authorized and the business license must be kept current during the term of this Contract for payments to continue to be authorized.
7. All insurance coverage required by this Contract shall be provided by the Contractor before this Contract shall be executed by the City. The insurance coverage must be kept current during the term of this Contract for payments to continue to be authorized.

EXHIBIT C
AUTHORIZED REPRESENTATIVES AND NOTICES

1. Notices. All notices, demands, statements, or communications provided for by this Contract shall be in writing and may be delivered by deposit in the United States mail, postage prepaid. Notices to the City shall be addressed to the Department Head and (as delineated below in section 1.1) to the project manager responsible for the administration of or the supervision of the scope of work under this Contract. Notices to the Contractor shall be addressed to the party designated by Contractor (as delineated below in section 1.2). Notice shall be deemed delivered (a) upon personal delivery; (b) as of the fifth business day after mailing by United States certified mail, postage prepaid, addressed to the proper party; or (c) as of 12:00 p.m. on the second business day immediately after the day it is deposited with and accepted by Federal Express, or a similar overnight courier service, addressed to the proper party and marked for next business day morning delivery. For the purposes of this Contract, a "business day" means any day Monday through Friday that is not a holiday recognized by the federal government or the State of California.

1. 1 CITY hereby designates as its Authorized Representative the Project Manager whose name and address are as follows:

Donna Newton

City of Richmond

450 Civic Center Plaza, Suite 310

Richmond, CA 94804-0046

1. 2 CONTRACTOR hereby designates as its Authorized Representative the Project Manager whose name and address are as follows:

Ruth Ann Eledge

The Segal Group Inc, (Western States) dba Segal

5057 Keller Springs Road, Suite 101

Addison, Texas 75001-6316

EXHIBIT D
GENERAL CONDITIONS

1. Independent Contractor. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, joint venturer or partner of the City, but rather an independent Contractor. This Contract shall not be construed to create an agency, servant, employee, partnership, or joint venture relationship. As an independent Contractor, Contractor shall have no authority to bind City to any obligation or to act as City's agent except as expressly provided herein. Due to the independent Contractor relationship created by this Contract, City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.
2. Brokers. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.
3. City Property. The rights to applicable plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Contract, which, upon request, are to be delivered to City within a reasonable time, shall be deemed assigned to City. If applicable, Contractor shall prepare check prints upon request. Notwithstanding the foregoing, Contractor shall not be obligated to provide to City proprietary software or data which Contractor has developed or had developed for Contractor's own use; provided, however, that Contractor shall, pursuant to Section 15 below, indemnify, defend and hold harmless City from and against any discovery or Public Records Act request seeking the disclosure of such proprietary software or data.
4. Patents, Trademarks, Copyrights and Rights in Data. Contractor shall not publish or transfer any materials, discoveries, developments, concepts, designs, ideas, know how, improvements, inventions and/or original works of authorship resulting from activities supported by this Contract without the express prior written consent of the City Manager. If anything resulting from activities supported by this Contract is patentable, trademarkable, copyrightable or otherwise legally protectable, City reserves the exclusive right to seek such intellectual property rights. Notwithstanding the foregoing, Contractor may, after receiving City's prior written consent, seek patent, trademark, copyright or other intellectual property rights on anything resulting from activities supported by this Contract. However, City reserves, and Contractor irrevocably grants, a nonexclusive, fully paid-up, royalty-free, assumable, perpetual, worldwide license, with the right to transfer, sublicense, practice and exploit said license and the right to make, have made, copy, modify, make derivative works of, use, sell,

import, and otherwise distribute under all applicable intellectual properties without restriction of any kind said license.

Contractor further agrees to assist City, at City's expense, in every proper way to secure the City's rights in any patents, trademarks, copyrights or other intellectual property rights relating thereto, including the disclosure to City of all pertinent information and data with respect thereto. Contractor shall also assist City in the execution of all applications, specifications, oaths, assignments, recordations, and all other instruments which City shall deem necessary in order to apply for, obtain, maintain and transfer such rights, or if not transferable, to waive such rights. Contractor shall further assist City in the execution of all applications, specifications, oaths, assignments, recordations and all other instruments which City shall deem necessary in order to assign and convey to City, and any assigns and nominees the sole and exclusive right, title and interest in and to any patents, trademarks, copyrights or other intellectual property rights relating thereto. Contractor further agrees that its obligation to execute or cause to be executed, when it is in Contractor's power to do so, any such instruments or papers shall continue during and at all times after the end of Contractor's services and until the expiration of the last such intellectual property right. Contractor hereby irrevocably designates and appoints City, and its duly authorized officers, agents and servants, as its agent and attorney-in-fact, to act for and in its behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the application for, prosecution, issuance, maintenance or transfer of letters of patents, copyright and other registrations. This power of attorney is coupled with an interest and shall not be affected by Contractor's subsequent incapacity.

5. Inspection. Contractor's performance, place of business and records pertaining to this Contract are subject to monitoring, inspection, review and audit by authorized representatives of the CITY, the State of California, and the United States Government.

If the project or services set forth in Exhibit A shall be performed on City or other public property, City shall have the right to inspect such work without notice. If such project or services shall not be performed on City or other public property, City shall have the right to inspect such work upon reasonable notice.

6. Services. The project or services set forth in Exhibit A shall be performed to the full satisfaction and approval of City. In the event that the project or services set forth in Exhibit A are also itemized by price, City, in its sole discretion, may, upon notice to Contractor, delete certain items or services set forth in Exhibit A, in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor.

Contractor shall, at its own cost and expense, furnish all facilities and equipment necessary for Contractor to complete the project or perform the services required herein, unless otherwise provided in Exhibit A.

7. Records. Contractor shall keep and make available for inspection and copying by authorized representatives of the City, the State of California, and the United States Government, the Contractor's regular business records and such additional records pertaining to this Contract as may be required by the City.

Contractor shall retain all documents pertaining to this Contract for a period of five (5) years after this Contract's termination (or for any further period that is required by law) and until all Federal or State audits are complete and exceptions resolved for this contract's funding period. Upon request, CONTRACTOR shall make these records available to authorized representatives of the CITY, the State of California, and the United States Government.

Contractor shall keep full and detailed accounts, maintain records, and exercise such controls as may be necessary for proper financial management under this Contract. The Contractor's accounting and control systems shall be satisfactory to City. Contractor's accounting systems shall conform to generally accepted accounting principles and all records shall provide a breakdown of total costs charged under this Contract, including properly executed payrolls, time records, utility bills, invoices and vouchers. The City shall be afforded prompt access to Contractor's records, books, and Contractor shall preserve such project records for a period of at least five (5) years after the termination of this Contract, or for such longer period as may be required by law.

Contractor shall permit City and its authorized representatives and accountants to inspect, examine and copy Contractor's books, records, accounts, correspondence, instructions, drawings, receipts, subcontracts, purchase orders, vouchers, memoranda and other data relating to the project or services set forth in Exhibit A, and any and all data relevant to this Contract at any reasonable time for the purpose of auditing and verifying statements, invoices, or bills submitted by Contractor pursuant to this Contract and shall provide such assistance as may be reasonably required in the course of such inspection. Contractor shall also allow City access to the record keeping and accounting personnel of Contractor. City further reserves the right to examine and re-examine said books, records, accounts, and data during the five (5) year period following the termination of this Contract; and Contractor shall in no event dispose of, destroy, alter, or mutilate said books, records, accounts, and data in any manner whatever for five (5) years after the termination of this Contract.

Pursuant to California Government Code § 10527, the parties to this Contract shall be subject to the examination and audit of representatives of the Auditor General of the State of California for a period of three (3) years after final payment under this Contract. The examination and audit shall be confined to those matters connected with the performance of this Contract including, but not limited to, the cost of administering this Contract.

8. Changes and Extra Work. All changes and/or extra work under this Contract shall be performed and paid for in accordance with the following:

Only the City Council or the City Manager may authorize extra and/or changed work. Contractor expressly recognizes that other City personnel are without authorization to either order extra and/or changed work or waive contract requirements. Failure of Contractor to secure the authorization for such extra and/or changed work shall constitute a waiver of any and all right to adjustment in contract price due to such unauthorized work and Contractor thereafter shall be entitled to no compensation whatsoever for performance of such extra and/or changed work.

If Contractor is of the opinion that any work which Contractor has been directed to perform is beyond the scope of this Contract and constitutes extra work, Contractor shall promptly notify City of the fact. The City shall make a determination as to whether or not such work is, in fact, beyond the scope of this Contract and constitutes extra work. In the event that City determines that such work does constitute extra work, City shall provide extra compensation to Contractor on a fair and equitable basis. A change order or Contract Amendment providing for such compensation for extra work shall be negotiated between City and Contractor and executed by Contractor and the appropriate City official.

In the event City determines that such work does not constitute extra work, Contractor shall not be paid extra compensation above that provided herein and if such determination is made by City staff, said determination may be appealed to the City Council; provided, however, a written appeal must be submitted to the City Manager within five (5) days after the staff's determination is sent to Contractor. Said written appeal shall include a description of each and every ground upon which Contractor challenges the staff's determination.

9. Additional Assistance. If this Contract requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue

any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of Section 8 of these General Conditions.

10. Professional Ability. Contractor acknowledges, represents and warrants that Contractor and its employees are skilled and able to competently provide the services hereunder, and possess all professional licenses, certifications, and approvals necessary to engage in their occupations. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Contract. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession. In the event that City, in its sole discretion, desires the removal of any person employed or retained by Contractor to perform services hereunder, such person shall be removed immediately upon receiving notice from City.
11. Business License. Contractor shall obtain a Richmond Business License before performing any services required under this Contract. The failure to so obtain such license shall be a material breach of this Contract and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual or extraordinary circumstances without necessitating any modification of this Contract to reflect such waiver.
12. Termination Without Default. Notwithstanding any provision herein to the contrary, City may, in its sole and absolute discretion and without cause, terminate this Contract at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. Contractor may terminate this Contract at any time in its sole and absolute discretion and without cause upon 30 days' written notice to City. In the event of termination by either party, Contractor shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; (2) necessary materials or services of others ordered by Contractor for this Contract, prior to receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to City. Additionally, in the event of such termination, the City may proceed with the work in any reasonable manner it chooses.

13. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Contract, City may immediately terminate this Contract by giving written notice of such termination, stating the reasons for such termination. Contractor shall be compensated as provided in Section 12 of these General Conditions; provided, however, there shall be deducted from such amount the amount of damage, including attorney's fees, expert witness fees and costs, if any, sustained by City by virtue of Contractor's breach of this Contract. Additionally, in the event of such termination, the City may proceed with the work in any reasonable manner it chooses.

14. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Contract. Contractor further acknowledges, represents and warrants that no City official or employee has any economic interest, as defined in Title 2, California Code of Regulations §§ 18703.1 through 18703.5, with Contractor that would invalidate this Contract. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Contract, all consideration received under this Contract shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Contract for one (1) year.

15. Indemnification.

(a) If this Contract is a contract for design professional services subject to California Civil Code Section 2782.8(a) and Contractor is a design professional, as defined in California Civil Code Section 2782.8(b)(2), Contractor shall hold harmless, defend and indemnify the City, its officers, agents, employees, and volunteers from and against any and all claims, damages, losses, and expenses including attorneys' fees arising out of, or pertaining to, or relating to the negligence, recklessness, or willful misconduct of the Contractor, except where caused by the active negligence, sole negligence, or willful misconduct of the City. To the fullest extent permitted by law, Contractor shall immediately defend and indemnify the City and its officers, agents, employees, and volunteers from and against any and all liabilities, regardless of nature or type, that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Contractor, or its employees, agents, or subcontractors. Liabilities subject to the duties to defend and indemnify include, without limitation, any and all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees; court costs; and costs of alternative dispute resolution. Contractor's obligation to

indemnify applies unless it is finally adjudicated that the liability was caused by the sole active negligence or sole willful misconduct of an indemnified party.

- (b) If this Contract is not a contract for design professional services subject to California Civil Code Section 2782.8(a) or Contractor is not a design professional as defined in California Civil Code Section 2782.8(b)(2), Contractor shall indemnify, defend, and hold harmless the City, its officers, agents, employees and volunteers from any and all claims, suits, or actions of every name, kind and description, brought forth on account of injuries to or death of any person or damage to property arising from or connected with the willful misconduct, negligent acts, errors or omissions, ultra-hazardous activities, activities giving rise to strict liability, or defects in design by Contractor or any person directly or indirectly employed by, or acting as, the agent for Contractor in the performance of this Contract, including the concurrent or successive passive negligence of the City, its officers, agents, employees or volunteers.
- (c) It is understood that the duty of Contractor to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Contractor shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by the City, the City and its officers, agents, employees, and volunteers, immediately upon tender to Contractor of the claim in any form or at any stage of an action or proceeding, whether or not liability is established. An allegation or determination that persons other than Contractor are responsible for the claim does not relieve Contractor from its separate and distinct obligation to defend under this Section 15. The obligation to defend extends through final judgment, including exhaustion of any appeals. The defense obligation includes an obligation to provide independent counsel if Contractor asserts that liability is caused in whole, or in part, by the negligence or willful misconduct of an indemnified party.
- (d) The review, acceptance or approval of the Contractor's work or work product by any indemnified party shall not affect, relieve or reduce the Contractor's indemnification or defense obligations. This Section 15 survives completion of the services or the termination of this Contract. The provisions of this Section 15 are not limited by, and do not affect, the provisions of this Contract relating to insurance.
- (e) Acceptance of insurance certificates and endorsements required under this Contract does not relieve Contractor from liability under this Section 15. This Section 15 shall apply whether or not such insurance policies are determined to be applicable to any such damages or claims for damages.

16. Safety. Contractor acknowledges that the City is committed to the highest standards of workplace safety. Contractor shall perform all work hereunder in full compliance with applicable local, state and federal safety requirements including but not limited to Occupational Safety and Health Administration requirements, and shall assume sole and complete

responsibility for the safety of Contractor's employees and any subContractor's employees. If a death, serious personal injury or substantial property damage occurs in connection with the performance of this Contract, Contractor shall immediately notify the City by telephone.

17. Insurance. Insurance requirements are set forth in Exhibit F to this Contract. Contractor shall abide by the insurance requirements set forth in said Exhibit F.
18. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Contract.
19. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Contract, including without limitation environmental laws, employment discrimination laws and prevailing wage laws. Compliance under this provision includes compliance with all provisions of the Richmond Municipal Code ("Municipal Code"), including Chapters 2.50, 2.52, 2.56, and 2.60, if applicable.

Contractor acknowledges that under § 2.60.070 of the Municipal Code ("Living Wage Ordinance"), Contractor shall promptly provide to City documents and information verifying its compliance with the Living Wage Ordinance. Also as prescribed in § 2.60.070, Contractor shall notify each of its affected employees with regards to the wages that are required to be paid pursuant to the Living Wage Ordinance.

Contractor shall comply with § 2.28.030 of the Municipal Code, obligating every Contractor or subcontractor under a contract or subcontract with the City for public work or for goods or for services to refrain from discriminatory employment or subcontracting practices on the basis of race, color, sex, sexual orientation, religious creed, national origin or ancestry of any employee, any applicant for employment or any potential subcontractor.

Contractor acknowledges that the City's Drug Free Workplace Policy, Violence in the Workplace Policy and the Policy Against Workplace Harassment, are available on the City's website at <http://www.ci.richmond.ca.us/workplacepolicies> . Contractor agrees to abide by the terms and conditions of said policies.

20. Limitations upon Subcontracting and Assignment. This Contract binds the heirs, successors, assigns and representatives of Contractor. The Contractor shall not enter into subcontracts for any work contemplated

under this Contract and shall not assign this Contract, nor any portion hereof or monies due or to become due, without the prior written consent of the City Council or its designee.

Contractor acknowledges that the services which Contractor shall provide under this Contract are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in City's sole and absolute discretion. In the event that City, in writing, approves any assignment or subletting of this Contract or the retention of subcontractors by Contractor, Contractor shall provide to City upon request copies of each and every subcontract contract prior to the execution thereof by Contractor and subcontractor. Any assignment by Contractor of any or all of its rights under this Contract without first obtaining City's prior written consent shall be a default under this Contract.

The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Contractor (if applicable), or of the interest of any general partner or joint venturer or syndicate member if Contractor is a partnership or joint-venture or syndicate, which shall result in a change of control of Contractor, shall be deemed an assignment. For this purpose, control shall mean fifty percent or more of the voting power or twenty-five percent or more of the assets of the corporation, partnership or joint-venture.

21. Integration. This Contract constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the Exhibits to this Contract.
22. Modifications and Amendments. This Contract may be modified or amended only by a change order or Contract Amendment executed by both parties and approved as to form by the City Attorney.
23. Conflicting Provisions. In the event of a conflict between these General Conditions and those of any Exhibit or attachment hereto, these General Conditions shall prevail; provided, however, that any Special Conditions as set forth in Exhibit E shall prevail over these General Conditions. In the event of a conflict between the terms and conditions of any two or more Exhibits or attachments hereto, those prepared by City shall prevail over those prepared by the Contractor, and the terms and conditions preferred by the City shall prevail over those preferred by the Contractor.
24. Non-exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and

City reserves the right to employ other Contractors in connection with the project.

25. Exhibits. All Exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit A which does not pertain to the project description, proposal, scope of services, or method of compensation (as applicable) , or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Contract.

26. Force Majeure. Neither party hereto shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such an obligation is prevented or delayed by reason of acts of God, strikes, boycotts, lock-outs, inability to procure materials not related to the price thereof, failure of power, restrictive governmental laws and regulations enacted after the date of this Contract, riots, civil unrest, acts of terrorism, insurrection, war, declaration of a state or national emergency or other reasons of a like nature not within the reasonable control of such party.

27. Time of the Essence. Time is of the essence of this Contract. Contractor and City agree that any time period set forth in Exhibit A represents their best estimates with respect to completion dates and both Contractor and City acknowledge that departures from the schedule may occur. Therefore, both Contractor and City will use reasonable efforts to notify one another of changes to the schedule. Contractor shall not be responsible for performance delays caused by others, or delays beyond Contractor's control, and such delays shall extend the times for performance of Contractor's work.

28. Confidentiality. Contractor agrees to comply with, and to require its employees, agents and partners to comply with, all applicable State or Federal statutes or regulations respecting confidentiality, including but not limited to, the identity of persons served under this Contract, their records, or services provided them, and assures that:

All applications and records concerning any individual made or kept by Contractor or any public officer or agency in connection with the administration of or relating to services provided under this Contract will be confidential, and will not be open to examination for any purposes not directly connected with the administration of such service.

No person will publish or disclose or permit or cause to be published or disclosed, any list of persons receiving services, except as may be required in the administration of such service.

29. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Contract shall not be considered "third parties."
30. Governing Law. This Contract shall be construed in accordance with the law of the State of California without regard to principles of conflicts of law. This Contract is made in Contra Costa County, California, and any action relating to this Contract shall be instituted and prosecuted in the courts of Contra Costa County, California.
31. Nonrenewal. Contractor understands and agrees that there is no representation, implication, or understanding that the services provided by Contractor under this Contract will be purchased or renewed by the City under a new contract following expiration or termination of this Contract, and waives all rights or claims to notice or hearing respecting any failure by City to continue the purchase of all or any failure to continue purchase of all or any such services from Contractor.
32. Claims. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 et seq. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six months after accrual of the cause of action.
33. Interpretation. This Contract shall be interpreted as if drafted by both parties.
34. Warranty. In the event that any product shall be provided to the City as part of this Contract, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets any specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of one hundred and eighty (180) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping.
35. Severability. In the event that any of the provisions or portions or applications thereof of this Contract are held to be unenforceable or invalid by any court of competent jurisdiction, City and Contractor shall negotiate an equitable adjustment in the provisions of the Contract with a view

toward effecting the purpose of this Contract, and the validity and enforceability of the remaining provisions or portions or applications thereof, shall not be affected thereby.

36. Authority. City warrants and represents that the signatory hereto (the Mayor of the City of Richmond or the City Manager) is duly authorized to enter into and execute this Contract on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Contract on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Contract on behalf of Contractor.

37. Waiver. The waiver by City of any breach of any term or provision of this Contract shall not be construed as a waiver of any subsequent breach. Inspections or approvals, or statements by any officer, agent or employee of the City relating to the Contractor's performance, or payments therefore, or any combination of these acts, shall not relieve the Contractor's obligation to fulfill this Contract as prescribed; nor shall the City be thereby stopped from bringing any action for damages or enforcement arising from any failure to comply with any of the terms and conditions of this Contract.

38. Possessory Interest. If this Contract results in the Contractor having possession of, claim to or right to the possession of land or improvements, but does not vest ownership of the land or improvements in the same person, or if this Contract results in the placement of taxable improvements on tax exempt land (Revenue and Taxation Code 107), such interest or improvements may represent a possessory interest subject to property tax, and Contractor may be subject to the payment of property taxes levied on such interest.

39. Performance and Final Acceptance.

Contractor represents that it is experienced, qualified, registered, licensed, equipped, organized and financed to perform the services under this Contract.

Contractor shall perform the services under this Contract with that degree of skill and judgment normally exercised by professional firms performing services of a similar nature in the State of California, and shall be responsible for the professional quality, technical accuracy and coordination of the services it performs under this Contract. In addition to the other rights and remedies which City may have, Contractor shall, at its own expense, correct any services which fail to meet the above standard.

City shall provide Contractor an opportunity to cure errors and omission which may be disclosed during the review of submittals, with no increase in the authorized Contract Payment Limit. Should Contractor fail to make necessary corrections in a timely manner, such corrections shall be made by the City and the cost thereof shall be charged to Contractor.

If warranted, City shall determine, and Contractor may request such determination, that Contractor has satisfactorily completed performance of this Contract. Upon such determination, City shall issue to Contractor a written Notice of Final Acceptance, after which Contractor shall not incur further costs under this Contract. Contractor shall respond to such Notice of Final Acceptance by executing and submitting to City a Release and Certificate of Final Payment.

40. Survival. The rights and obligations of the parties which by their nature survive termination or completion of the services covered by this Contract shall remain in full force and effect after termination or completion.

For the Contract between the City of
Richmond and
The Segal Group Inc, (Western States) dba
Segal

EXHIBIT E
SPECIAL CONDITIONS

The General Conditions are hereby amended to include the following modifications
and/or provisions (if applicable):

See Attachment 2

Attachment 2

1. **Exhibit B, numbered section 5 is amended in its entirety to read as follows:**

"The City will pay invoice(s) within 45 days consistent with the billing provisions in the Contractor's proposal. The City shall not pay late fees or interest."

2. **Exhibit D – General Conditions, numbered section 3 is amended in its entirety to read as follows:**

"Ownership of Deliverables. Except to the extent that they incorporate Contractor's proprietary software, tools, know-how, techniques, methodologies and report formats (collectively, "Contractor's Proprietary Information"), all documents, data, and other tangible materials authored or prepared and delivered by Contractor to City under this Agreement (collectively, the "Deliverables"), are the sole and exclusive property of City once paid for by City. To the extent Contractor's Proprietary Information is incorporated into such Deliverables, City shall have a perpetual, nonexclusive, worldwide, royalty-free license to use, copy, and modify Contractor's Proprietary Information as part of the Deliverables internally and for their intended purpose."

3. **Exhibit D – General Conditions, numbered section 4 is amended in its entirety to read as follows:**

"Intentionally Left Blank."

4. **Exhibit D – General Conditions, numbered section 13 is amended in its entirety to read as follows:**

"Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Contract, City may terminate this Contract by giving not less than ten (10) business days' prior written notice of such termination, stating the reasons for such termination (the "Notice Period"). Termination under this provision will only take effect if the Contractor has not cured the failure prior to expiration of the Notice Period. Contractor shall be compensated as provided in Section 12 of these General Conditions; provided, however, there shall be deducted from such amount the amount of damage, including attorney's fees, expert witness fees and costs, if any, sustained by City by virtue of Contractor's breach of this Contract. Additionally, in the event of such termination, the City may proceed with the work in any reasonable manner it chooses."

5. **Exhibit D – General Conditions, numbered section 15(b) is amended in its entirety to read as follows:**

"If this Contract is not a contract for design professional services subject to California Civil Code Section 2782.S(a) or Contractor is not a design professional as defined in California Civil Code Section 2782.8(b)(2), Contractor shall indemnify, defend, and hold harmless the City, its officers, agents, employees and volunteers from any and all claims, suits, or actions of every name, kind and description, brought forth on account of injuries to or death of any person or damage to property to the extent determined to result from the willful misconduct, negligent acts, errors or omissions, ultra-hazardous

activities, activities giving rise to strict liability, or defects in design by Contractor or any person directly or indirectly employed by, or acting as, the agent for Contractor in the performance of this Contract.”

6. **Exhibit D – General Conditions, numbered section 15(c) is amended in its entirety to read as follows:**

“Not applicable.”

For the Contract between the City of
Richmond and
The Segal Group Inc, (Western States) dba
Segal

EXHIBIT F
INSURANCE PROVISIONS

During the entire term of this Contract and any extension or modification thereof, the CONTRACTOR shall keep in effect insurance policies meeting the insurance requirements specified in the insurance provisions which are attached hereto and incorporated herein by this reference.

**City of Richmond - Insurance Requirements - Type 2:
Professional Services**

In all instances where CONTRACTOR or its representatives will provide professional services (*architects, engineers, construction management, counselors, medical professionals, hospitals, clinics, attorneys, consultants, accountants, etc.*) to the City of Richmond (City), the City requires the following MINIMUM insurance requirements and limits.

CONTRACTOR shall procure and maintain for the duration of the contract, agreement, or other order for work, services or supplies, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the CONTRACTOR, its agents, representatives, employees or subcontractors. **Maintenance of proper insurance coverage is a material element of the contract. Failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract.**

CONTRACTOR agrees that in the event of loss due to any of the perils for which it has agreed to provide Commercial General Liability insurance, CONTRACTOR shall look solely to its insurance for recovery. CONTRACTOR hereby grants to CITY, on behalf of any insurer providing Commercial General Liability insurance to either CONTRACTOR or CITY with respect to the services of CONSULTANT herein, a waiver of any right to subrogation which any such insurer of said CONTRACTOR may acquire against the CITY by virtue of the payment of any loss under such insurance.

Original, signed certificates and original, separate policy endorsements, naming the City as an additional insured for general liability coverage, as well as a waiver of subrogation for Workers' Compensation insurance, shall be received and approved by the City **before any work may begin**. However, failure to do so shall not operate as a waiver of these insurance requirements.

City reserves the right to modify or require additional coverages for specific risk exposures depending on scope of CONTRACTORS work.

Minimum coverage is detailed below. The policy limits of coverage shall be made available to the full limits of the policy. The minimum limits stated herein shall not serve to reduce the policy limits of coverage of CONTRACTOR.

Minimum Scope of Insurance – the following forms shall be provided and coverage shall be at least as broad as the following:

1. Insurance Services Office Commercial General Liability coverage (ISO Occurrence Form CG 0001), and including coverage for bodily and personal injury, property damage, and products and completed operations (if applicable).
2. Insurance Services Office Automobile Liability coverage (ISO Form CA 0001, Code 1, Any Auto).
3. Original and Separate Additional Insured Endorsement for General Liability (ISO Form CG 20 10 11/85 or its equivalent) with primary and non-contributory language.
4. Workers' Compensation Insurance as required by the State of California including Employer's Liability coverage.
5. Original and Separate Waiver of Subrogation for Workers' Compensation insurance.
6. Professional Liability or Errors & Omissions Liability Insurance appropriate to the CONTRACTOR's profession (if required.)

Required Coverage	Minimum Limits
Workers' Compensation and Employers' Liability	Statutory limits as required by the State of California including \$1 million Employers' Liability per accident, per employee for bodily injury or disease. If CONTRACTOR is self-insured, provide a certificate of Permission to Self-Insure, signed by the California Department of Industrial Relations and Self-Insurance. If contractor is a sole proprietor (has no employees) than contractor must sign "Contractor Release of Liability" found at: http://www.ci.richmond.ca.us/index.aspx?nid=61 .
General Liability <i>(primary and excess limits combined)</i>	\$2,000,000 per occurrence for bodily injury, personal injury and property damage. If the policy includes a general aggregate, either the general aggregate shall apply separately to this project, service or location or the minimum required aggregate limit shall be twice the per occurrence limit (\$4 million aggregate limit) . Policy shall be endorsed to name the City of Richmond as an additional insured per the conditions detailed below.

**City of Richmond - Insurance Requirements - Type 2:
Professional Services**

Automobile Liability	\$1,000,000 per occurrence for bodily injury and property damage.	
Professional Liability or Errors & Omissions Liability - <i>Required for all professionals including architects, engineers, consultants, construction management, counselors, medical professionals, hospitals, clinics, attorneys and accountants, & other consultants as may be required by the City.</i>	PROJECT COST	REQUIRED LIMIT
	----- \$0 - \$1 million	----- \$1 million p/o
	----- \$1 million - \$5 million	----- \$2 million p/o
	----- Over \$5 million	----- \$5 million p/o

Required Policy Conditions	
Additional Insured Endorsement	<p>Applicable to General Liability coverage.</p> <p>The City of Richmond, its officers, officials, employees, agents and volunteers are to be named as additional insureds for all liability arising out of the operations by or on behalf of the named insured including bodily injury, deaths and property damage or destruction arising in any respect directly or indirectly in the performance of this contract.</p> <p>ISO form CG 20 10 (11/85) or its equivalent is required. If the Contractor is supplying their product or providing a service then the endorsement <u>must not</u> exclude products and completed operations coverage. If it does, then CG 20 37 (10/01) is also required. SAMPLE Endorsements can be found at http://www.ci.richmond.ca.us/index.aspx?nid=61.</p>
Primary and Noncontributory	<p>The contractor's insurance coverage must be primary coverage as it pertains to the City, its officers, officials, employees, agents and volunteers. Any insurance or self insurance maintained by the City is wholly separate from the insurance of the contractor and in no way relieves the contractor from its responsibility to provide insurance.</p>
Waiver of Subrogation Endorsement Form	<p>Contractor's insurer will provide a Waiver of Subrogation in favor of the City for Workers' Compensation Insurance during the life of this contract. SAMPLE Endorsements can be found at http://www.ci.richmond.ca.us/index.aspx?nid=61.</p>
Deductibles and Self-Insured Retentions	<p>Any deductible or self-insured retention must be declared to and approved by the City. At the option of the City either the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City or the CONTRACTOR shall procure a financial guarantee in an amount equal to the deductible or self-insured retention guaranteeing payment of losses and related investigations, claims administration and defense expenses.</p> <p>Contractor is responsible for satisfaction of the deductible and/or self-insured retention for each loss.</p>
A. M. Best Rating	<p>A:VII or Better. If the A.M. Best Rating falls below the required rating, CONTRACTOR must replace coverage immediately and provide notice to City.</p>

Umbrella/Excess Liability Policies

If an Umbrella or Excess Liability Policy is used to meet the liability limits, coverage shall be as broad as specified for underlying coverage's and cover those insured in the underlying policies.

**City of Richmond - Insurance Requirements - Type 2:
Professional Services**

Claims-Made Policies

If any insurance policy is written on a claims-made form: 1) the retroactive date must be shown, and must be before the date of the contract or the beginning of contract work. 2) Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work. 3) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, the Contractor must purchase an extended period coverage for a minimum of five (5) years after completion of contract work.

Subcontractors

CONTRACTOR shall include all subcontractors as insured under its policies or shall furnish to the City for review and approval, separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to all of the requirements stated herein.

CONTRACTOR agrees to defend and indemnify the City of Richmond for any damage resulting to it from failure of either CONTRACTOR or any subcontractor to take out or maintain the required insurance policies. The fact that insurance is obtained by CONTRACTOR, and/or CONTRACTOR's subcontractors, will not be deemed to release or diminish the liability of CONTRACTOR, including, without limitation, liability under the indemnity provisions of this contract. Damages recoverable by CITY from CONTRACTOR or any third party will not be limited by the amount of the required insurance coverage.

Verification of Coverage

All original certificates and endorsements shall be received and approved by the City **before work may begin.** The City of Richmond reserves the right to require complete, certified copies of all required insurance policies including endorsements affecting the coverage at any time.

Original insurance certificates and required policy endorsements shall be mailed or delivered to the Designated Project Manager for the City of Richmond.

Insurance certificates and endorsements may be faxed to the Designated Project Manager. However, CONTRACTOR must mail the original certificates and endorsements to Designated Project Manager once faxed.

Continuous Coverage

CONTRACTOR shall maintain the required insurance for the life of the contract. Should the CONTRACTOR cease to have insurance as required during this time, all work by the CONTRACTOR pursuant to this agreement shall cease until insurance acceptable to the City is provided. In the event that CONTRACTOR fails to comply with the City's insurance requirements, the City may take such action as it deems necessary to protect the City's interests. Such action may include but is not limited to termination of the contract, withholding of payments, or other actions as the City deems appropriate.

If services or the scope of work extend beyond the expiration dates of the required insurance policies initially approved by the City, CONTRACTOR must provide updated certificates and endorsements indicating that the required coverage, terms and conditions are still in place. **Renewal certificates and updated endorsements shall be mailed to the Designated Project Manager.**

Cancellation

CONTRACTOR shall ensure that coverage shall not be cancelled, reduced or otherwise materially changed except after thirty (30) days' prior written notice has been given to the City.

Reporting Requirements

Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its officers, officials, employees or volunteers.

Consistent with Public Policy

The insuring provisions, insofar as they may be judged to be against public policy shall be void and unenforceable only to the minimum extent necessary so that the remaining terms and provisions herein may be consistent with public policy and thus enforceable.



CITY OF

Richmond CALIFORNIA

Request for Proposals

CLASSIFICATION AND COMPENSATION STUDY

Release Date: December 19, 2019

Deadline for Submittal
January 21, 2020 at 3:00 p.m.

Contact: Donna Newton
Email: Donna_Newton@ci.richmond.ca.us
Phone Number: 510-620-1218

City of Richmond
Human Resources Department

INTRODUCTION

The City of Richmond ("City") is requesting proposals from highly qualified consulting firms to conduct a comprehensive citywide classification and compensation study, setting steps within executive salary ranges, and mapping employees within established salary ranges. This study will cover every employee in the organization with the exception of the City Manager and City Attorney.

The selected consultant will perform the services outlined herein under the general direction of the City's Human Resources Director.

It is anticipated that the study will commence in January or February of 2020 and conclude no later than December 31, 2020.

ABOUT THE CITY

The City of Richmond was chartered as a city in 1909, and is located 16 miles northeast of San Francisco, directly across the San Francisco Bay. Richmond's population is 110,146. The mission of the City of Richmond is as follows:

The City of Richmond provides services that enhance economic vitality, the environment and the quality of life of our community.

The City of Richmond provides a full range of municipal services including police and fire protection; construction and maintenance of highways, streets and infrastructure; library services; storm water and municipal sewer systems; operation of a wastewater treatment facility; and the administration of recreational activities and cultural events. The City also operates the Richmond Memorial Convention Center and the Port of Richmond.

PROJECT BACKGROUND / DESCRIPTION

The City currently employs approximately 744 full-time employees within 210 classifications and 172 part-time employees within 20 classifications. Full-time employees are represented by six bargaining units: 1) Service Employees International Union (SEIU) Local 1021; 2) International Federation of Professional and Technical Engineers (IFPTE) Local 21; 3) International Association of Fire Fighters (IAFF) Local 188; 4) Richmond Police Officer's Association (RPOA); 5) Richmond Police Management Association (RPMA) 6) Richmond Fire Management Association (RFMA)

Additionally, the City currently has 47 Executive classifications, all of which serve at the will and pleasure of the City Manager.

A copy of the City's current organizational chart is included herewith as Appendix A. Additionally, listings of the City's current full-time and part-time classifications are included herewith as Appendix B and Appendix C, respectively.

It is unclear as to when the City last conducted a comprehensive classification and

compensation study, particularly with the assistance of professional consulting services.

SCOPE OF SERVICES

Classification study: Discuss classifications to be studied, the data collection process and employee communications strategies. Review class specifications, the number of employees in each class, vacant classifications, personnel rules, reclassification procedures, policies for revising classifications, and other data as needed.

Compensation study: Discuss and make recommendations to the City's compensation philosophy, approach, and structure. Review salary schedules, MOU's, survey agencies (or criteria to determine them), labor market policies, internal equity structure, and related documentation. Make recommendations for placement of individual employees on revised pay scales.

Audit of compensation practices: Through the course of the study, consultant will review and observe existing compensation practices and, at the conclusion of the study, make recommendations for improvements consistent with best demonstrated practices in other cities.

CLASSIFICATION STUDY – SCOPE OF WORK AND WORK PLAN

The consultant will be responsible for providing the following services to the City of Richmond:

Position Description Questionnaire

Provide City Management with a sample Position Description Questionnaire (PDQ). Describe guidelines for distribution, including the role of supervisors and employees in completing the information. Schedule a one-day on-site visit to assist with employee orientation sessions.

Collect and Review Position Description Questionnaire

Follow-up to assist City management in responding to questions and ensuring all questionnaires are submitted within a specified time frame. Review questionnaires for completion and accuracy and compare with current job specifications for the classifications being studied.

Interviews with City Management, Supervisors and Employees

Schedule interviews with incumbents on their duties and responsibilities as described in the PDQ and in their job specifications. Group interviews may be conducted with selected incumbents in classes where the jobs are essentially the same. Conduct interviews with supervisors to provide clarification or additional information. Provide an update to City management on progress and key issues.

Classification Allocation

Analyze various factors to determine the proper class, such as, but not limited to, decision-making scope and complexity of work, contact with others required by the job, supervision received and exercised, and knowledge, skills and abilities. If applicable, contact other comparable agencies with similar classes to obtain information. Identify Fair Labor Standards Act (FLSA) status (exempt/non-exempt) for each classification.

Preliminary Recommendation and Draft Report

Prepare, submit and present a draft report summarizing each classification studied, determining whether a position is appropriately classified and no revisions are warranted, or recommending changes such as reallocating a position to a different class, revising and/or retitling an existing class or establishing a new class. Develop and attach draft classification specifications. Identify career ladders, for example flex classifications such as the Maintenance Worker series, and promotional opportunities as deemed appropriate. Assist with responses to Departments, supervisors, incumbents and bargaining units.

Final Report

Develop and present a final report to City Management staff and other parties as needed, including the above elements in the draft report, along with implementation strategies.

COMPENSATION STUDY – COPE OF WORK AND WORK PLAN

The consultant will be responsible for providing the following services to the City of Richmond:

Determine Appropriate Survey Agencies & Benchmark Classifications:

Provide information and recommendations on potential agencies to be used for comparability as a survey agency. Data will include organization size and function, population served, budget size, and any other criteria the City deems important. Recommend benchmark classifications for City review, based on an analysis of the City's existing classifications, salary schedules and internal equity structure, recommend benchmark classifications for City review.

Design, Develop, and Distribute Salary Survey Instrument

Based on identified benchmark classes, develop a comprehensive compensation survey instrument designed to ensure the effective collection of salary and benefit information from the identified survey agencies. The survey instrument will include the minimum and maximum monthly salaries and relevant benefits for each classification to include base salary, cash supplements, certification pay, auto allowance, employer-paid insurance premium contributions for health, dental,

vision insurance, life insurance and AD&D insurance, leave benefits including holidays, sick leave, administrative leave (comp time), and vacation. Leave data will be summarized in separate tables to determine common practices.

Contact survey agencies to request copies of organization charts, salary schedules, class specifications, and related documentation to verify and confirm an appropriate match between the City's classifications and each survey agency's comparable classes.

Design and Develop Data Spreadsheets

Incorporate appropriate formulas into spreadsheets that produce easily readable labor market data. The labor market data analyses will be conducted based upon policy direction from the City with respect to its proposed labor market position. Special tables will be developed to display the results of survey on various leave practices such as holiday, vacation, and so forth.

Review, Analyze, and Validate Labor Market Survey Data

Collect, analyze, and place survey data into data spreadsheets. In conjunction with the survey data received from each labor market agency, review additional background information (e.g., organization charts, salary schedules, position control documents, classification specifications, and related documentation). Audit the salary survey information and contact the benchmark agencies with any issues, concerns, or questions on the data to ensure the matches are accurate.

Conduct External Market and Internal Equity Analysis; Prepare Draft Salary Recommendations

Develop an internal equity chart showing how all the City's classes relate to the benchmark classes. Analyze the salary survey data and internal salary relationships provided in the internal equity chart to develop salary recommendations and allocate each classification to the appropriate salary range based upon the labor market data and internal equity analysis. Consider factors such as the City's ability to recruit and retain employees in the current labor market, while also maintaining key internal relationships.

Prepare and Submit Draft Compensation Report

Develop a draft report detailing the results of the labor market survey and draft salary recommendations. Include: market-based salary findings; total compensation findings; leave data; internal equity analysis; implementation strategies; and, summary of market trends. Meet with City management staff to present the draft plan and review the recommendations. Address any issues, concerns, and comments prior to the preparation of the final compensation report. Final report shall include a recommendation for where to place each individual employees on

their respective revised pay scale.

COMPENSATION AUDIT – SCOPE OF WORK AND WORK PLAN

The consultant will be responsible for providing the following services to the City of Richmond:

Through the course of the classification and compensation study, consultant will review and observe existing compensation practices and, at the conclusion of the study, make recommendations for improvements that will make Richmond's practices consistent with best demonstrated practices in other cities. Consultant shall be free to make a wide array of recommendations designed to improve Richmond's compensation practices and modernize the City's systems while ensuring fairness and equity within the organization and as compared to other comparable cities. Recommendations may cover wide ground including but not limited to administrative practices, pay-for-performance, cost alignment, and labor negotiation practices.

Final Report

Present the final compensation report with the results of the compensation analysis and study, all findings, recommendations, and project deliverables to the City Council, management staff and other parties as needed

PROPOSAL FORMAT GUIDELINES

The proposal should be concise, well organized, and demonstrate the proposer's qualifications and experience applicable to the Project. The proposal shall be limited to 20 double-sided pages (8.5 inches x 11 inches), inclusive of graphics, forms, pictures, photographs, dividers, etcetera, but not of cost proposal, resumes, required forms, certifications, front and back covers, or letters of commitment from sub-consultants. The required font size is 12 point, with minimum left and right margins of one-inch, and top and bottom margins of 0.7 inches.

The following proposal sections are to be included in the Vendor's response:

A. Vendor Cover Letter

A cover letter, not to exceed three pages in length, should summarize key elements of the proposal and shall:

- Confirm that all elements of this RFP have been reviewed and understood;
- Include a statement of intent to perform the services as outlined;
- Express company's willingness to enter into an agreement under the

terms and conditions prescribed by this RFP, insurance requirements (Appendix E) and in the sample Service Agreement (Appendix D);

- Submit a written description and brief history of the company's experiences, qualifications and successes in providing classification and compensation services described herein. Please indicate the number of employees, client base and location of offices.
- Indicate the address and telephone number of the vendor's office located nearest to Richmond, California and the office from which the project will be managed.
- Stipulate that the proposal price will be valid for a period of at least 180 days.
- Identify a single person for contact during the RFP review process; and
- Cover letter shall be signed by an authorized official of the company.

B. Background and Project Summary Section

The Background and Project Summary Section should describe your understanding of the City, the work to be done, and the objectives to be accomplished. Refer to description of services for this RFP.

C. Methodology Section

Provide a detailed description of the approach and methodology to be used to accomplish the Scope of Services of this RFP. The Methodology Section should include:

- 1) An implementation plan that describes in detail (i) the methods, including controls by which your firm manages projects of the type sought by this RFP; (ii) methodology for soliciting and documenting views of internal and external stakeholders; (iii) and any other project management or implementation strategies or techniques that the respondent intends to employ in carrying out the work.
- 2) Detailed description of efforts your firm will undertake to achieve client satisfaction and to satisfy the requirements of the "Scope of Services" section.
- 3) Detailed project schedule, identifying all tasks and deliverables to be performed, durations for each task, and overall time of completion.
- 4) Detailed description of specific tasks you will require from City staff. Explain what the respective roles of City staff and your staff would be to complete the tasks specified in the Scope of Services.
- 5) Describe what factors you recommend be considered to assess comparable agencies.

D. Staffing

Describe proposed Project team organization, including identification and responsibilities of key personnel. Indicate role and responsibility of prime consultants and all sub-consultants. If applicable, indicate how local firms are being utilized to ensure a strong understanding of state and local laws,

ordinances, regulations, policies, requirements, and permitting. Indicate the extent of the commitment of key personnel for the duration of the Project and furnish resumes of key personnel. Provide an indication of the staffing level for the Project. The City of Richmond's evaluation of the proposal will consider the proposer's entire team; therefore, no changes in the team composition will be allowed without prior written approval of the City of Richmond. Sub-consultant letters of commitment are required and must be submitted with the proposal.

Describe the experience of the proposer's Project team in detail, including the team's Project Manager, and other key staff members, on projects of similar size, capacity, and dollar value. For each similar project, include the client's name and correct telephone number. It is the City of Richmond's policy to interview proposers' references as well as references identified by the City of Richmond.

E. Qualifications

The information requested in this section should describe the qualifications of the firm, key staff and sub-contractors performing projects within the past five years that are similar in size and scope to demonstrate competence to perform these services. Information shall include:

- 1) Names of key staff that participated on named projects and their specific responsibilities with respect to this scope of service.
- 2) A summary of your firm's demonstrated capability, including length of time that your firm has provided the services being requested in this Request for Proposal.
- 3) Provide at least three (3) references that received similar services from your firm performed by the team/personnel proposed for the City of Richmond. The City of Richmond reserves the right to contact any of the organizations or individuals listed. Information provided shall include:
 - a) Client Name and contact info
 - Telephone & e-mail address
 - Address
 - b) Description of services provided including contract amount
 - c) Project start and end dates

F. Cost Proposal/Fee Schedule.

A detailed "not-to-exceed" cost proposal for each of the main components outlined in the Scope of Work in this RFP, as well as any specific cost savings associated with including the Organizational Assessment (Component 2) as part of this project. Any proposed payment schedule shall align with the project schedule. In addition, the cost proposal shall include an itemized budget, including all necessary labor costs and expenses (direct and indirect), for each of the main project components. The cost proposal shall state the current hourly

rates of all assigned staff/team members, as well as any known increases to said rates scheduled to occur prior to completion of this project.

G. Value Added Services

Please provide any additional services of benefit not specifically required herein, which the Offeror offers to provide.

H. Exceptions to this Request for Proposals

The proposer shall state whether or not it takes exception(s) to this RFP, including but not limited to the City of Richmond's Standard Services Agreement – RFP (Appendix D). If the proposer does take exception(s) to any portion of the RFP or contract, the specific portion to which exception(s) is taken must be identified by section number and explained. Requests for changes or additions to sections of City of Richmond's Standard Services Agreement must be shown by requesting deletion of specific words and/or by providing new requested contract language. Requests for complete replacement of the City of Richmond's Standard Services Agreement for another contract will not be granted. Failure to make exceptions to the RFP or Standard Services Agreement within the proposal will be deemed a waiver of any objection. Exceptions will be considered during the proposal evaluation process.

PROCESS FOR SUBMITTING PROPOSALS

Questions Concerning Request for Proposals

All questions must be submitted via the electronic BidsOnline system on the Q&A tab by 5:00pm PST, on January 9, 2020. If the City finds it necessary to issue an addendum, prospective Offerors will receive e-mail notification of addendum. Otherwise, answers to questions received will be provided on the Q&A tab and notification will be sent by January 13, 2020. It is the proposer's responsibility to periodically check the BidsOnline website www.ci.richmond.ca.us/bids for any possible Addenda to the RFP that may have been posted.

Any party submitting a proposal shall not contact or lobby any City Council member, City official, employee (except those specified for contact) or agent regarding the RFP. Any party attempting to influence or circumvent the RFP, bid submittal, and review process may have their proposal rejected for violating this provision of the RFP.

Interested parties may download copies of the above mentioned proposal by visiting the City's web site, www.ci.richmond.ca.us/bids. To download RFP, new vendors will be required to register. Once the vendor downloads any documents relative to a solicitation, that vendor's name will appear on the Prospective Bidders list for that project and will receive any addenda or notifications relating to the RFP.

Submission of Proposals

Please submit an original and six (6) hardcopies of the technical proposal along with one (1) copy on a flash drive. Proposals submitted by facsimile or e-mail are not acceptable and will not be considered.

The proposal and any required certifications shall be signed by an individual or individuals authorized to execute legal documents on behalf of the proposer.

Proposer is responsible for submitting its entire proposal package with all required submittal documents and any modifications or revisions, so as to reach the City of Richmond's office as designated in the RFP by the time specified below. Any proposal, modification, or revision received by the City of Richmond after the exact time specified for receipt of proposals is "late" and will not be considered

The proposal must be addressed to and received no later than 3:00 p.m., local time, on January 21, 2020, at the office of:

Finance Department
City of Richmond – Attention Ofelia Alvarez
450 Civic Center Plaza, 1st Floor
Richmond, CA 94804

Postmarks will not be accepted in lieu of this requirement.

Proposals are to be submitted in sealed packages with the following information clearly marked on the outside of each package:

1. Name of proposer
2. Project title: Classification and Compensation Study

With regard to any proposal sent by mail to the City, the proposer shall be solely responsible for its delivery to the City prior to the date and hour set forth herein. Any proposals received subsequent to the date and hour set forth herein, because of delayed mail delivery or any other reason, will not be considered by the City.

The City of Richmond reserves the right to waive inconsequential irregularities.

GENERAL GUIDELINES

This RFP does not commit the City of Richmond to award a contract, to defray any costs incurred in the preparation of a proposal pursuant to this RFP, or to procure or contract for work. The City of Richmond may reject a proposal without providing the reason(s) underlying the declination. A failure to award a contract to the proposer with the lowest cost proposal shall not constitute a valid cause of action against the City of Richmond. The City shall not be responsible for work done, even in good faith, prior to final approval of the proposed contract. The City may investigate the qualifications of any respondent under consideration, require confirmation of information furnished by

the respondent, and require additional evidence or qualifications to perform the Services described in this RFP.

The City reserves the right to:

1. Reject any or all proposals.
2. Issue subsequent Requests for Proposal.
3. Postpone opening for its own convenience.
4. Remedy technical errors in the Request for Proposal process.
5. Negotiate with any, all, or none of the Respondents.
6. Solicit best and final offers from all or some of the Respondents.
7. Select one or more Respondents.
8. Accept other than the lowest proposed fees.
9. Waive informalities and irregularities in proposals.

Public Records

All proposals submitted in response to this RFP become the property of the City of Richmond and public records and, as such, may be subject to public review. Documents protected by law from public disclosure will not be disclosed by the City of Richmond if clearly marked with the word "confidential" on each applicable page. Trade secrets may be marked as confidential only to the extent they meet the requirements of California Government Code section 6254.7. Only information claimed to be a trade secret at the time of submittal to the City of Richmond and marked as "confidential" will be treated as a trade secret.

Insurance Requirements

The City of Richmond requires consultants doing business with it to obtain insurance, as shown in RFP Appendix E. The required insurance certificates must comply with all requirements of the standards as shown and must be provided within fifteen (15) days of issuance of the Notice of Intent to Award and prior to the commencement of any work on the Project.

Business Licenses

The successful Contractor and all subcontractors used in the work will be required to hold or to obtain a City of Richmond business license for which the fee will not be waived.

Compliance with City Ordinances

The contractor and all subcontractors shall comply with the City of Richmond Nondiscrimination Clauses in City Contracts Ordinance ([Richmond Municipal Code \(RMC\) Chapter 2.28](#)), Business Opportunity Ordinance ([RMC Chapter 2.50](#)), Local Employment Program Ordinance ([RMC Chapter 2.56](#)), Living Wage Ordinance ([RMC Chapter 2.60](#)) and Ordinance Banning the Requirement to Provide Information of Prior Criminal Convictions on all Employment Applications ("Ban the Box") ([RMC Chapter 2.65](#)), which are incorporated into the Contract Documents by this reference.

Collusion

By submitting a proposal, each respondent represents and warrants that its proposal is genuine and not false or collusive or made in the interest of, or on behalf of any person not named therein; that the respondent has not directly or indirectly induced or solicited any other person to submit a false proposal, or any other person to refrain from submitting a proposal; and that the respondent has not, in any manner, sought collusion to secure any improper advantage over any other person submitting a proposal.

Withdrawal of Proposals

A respondent may withdraw their proposal before the expiration of the time for submission of proposals by delivering to the Finance Department a written request for withdrawal signed by, or on behalf of, the respondent.

Ownership of Documents

All reports, studies, information, data, statistics, forms, designs, plans, procedures, systems and any other materials produced for the Project shall be the sole and exclusive property of the City. No such materials or properties produced in whole or in part for the Project shall be subject to private use, copyrights or patent rights by Respondent in the United States or in any other country without the express written consent of the City. The City shall have unrestricted authority to publish, disclose (except as may be limited by the provisions of the Public Records Act), distribute, and otherwise use, copyright or patent, in whole or in part, any such reports, studies, data, statistics, forms or other materials or properties produced for this project.

PROPOSAL EVALUATION AND SELECTION PROCESS

All proposals shall be reviewed to verify that the Respondent has met the minimum requirements. Proposals that have not complied with requirements, do not meet minimum content and quality standards, or take unacceptable exceptions to the General Terms and Conditions of the Service Agreement, will be eliminated from further consideration. Proposals will be reviewed and evaluated by an evaluation committee comprised of City of Richmond personnel.

The Selection Committee may invite the highest-ranking Proposers to an interview. Finalists will be allotted one hour to make a presentation to and answer questions from the Selection Committee. It is expected that key members of the proposed project team will attend the interview.

The City reserves the right to reject any or all proposals, or to make no award. The City also reserves the right to require modifications follow-up with requests for additional information, including, but not limited to, follow-up interviews. The City may request Best and Final offers based upon improved understanding of the offers or changed scope of service. The City will negotiate with that vendor to determine final pricing, and

contract form. Because this proposal is negotiable, all pricing data will remain confidential until after award is made, and there will be no public opening and reading of Proposals. Overall responsiveness to the RFP is an important factor in the evaluation process. The criteria upon which the evaluation of the proposals will be based include, but are not limited to, the following:

The Proposal/Methodology and Approach to Work – 0 - 30%

The proposer's responsiveness to the RFP including completeness and thoroughness of proposal; all required information must be provided in the format specified. This category will also evaluate:

Approach to Scope of Services:

- Understanding of the scope of work and the overall classification and compensation study goals.
- Consultant's strategy for carrying out the needed work tasks to meet the goals, evaluated for its feasibility, responsiveness to the Scope of Services, effectiveness, and thoroughness.
- Proposed plan for completing the work in a timely and professional manner.
- Clarity of presentation and content of the responses to this request. Elaborate or costly submissions are not required.
- Requested exceptions to City's standard professional services agreement
- Approach and proposed methodology to project scope
- Innovative approaches and internal measures for timely completion of Project
- Optional services

Qualifications and Experience of Firm/Assigned Personnel – 0 - 30%

- Experience of the firm in providing the specified services for similar entities
- Record of performance, including reference
- The present workload of the consultant and their ability to meet the proposed schedule.
- Skills and experience of assigned personnel, availability of staff
- Experience and performance of consultant on similar studies

Cost Proposal – 0 - 30%

- Reasonableness of the proposed costs for scope of services only
- Proposers' cost proposals will be compared to what other comparable public agencies have paid for similar services, and in accordance with what is considered to be the industry's standard and customary costs for the services.

Value Added Services – 0 - 10%

- Additional services of benefit which the Offeror offers to provide.

Pre-Award Negotiations

After the proposals are opened, but prior to award, the City may elect to conduct negotiations with the highest ranked respondent for purposes of:

- Resolving minor differences and information
- Clarifying necessary details and responsibilities
- Emphasizing important issues and points
- Receiving assurances from respondents
- Cost/budget clarifications

If the City cannot successfully negotiate a contract with the highest ranked respondent, the City may begin negotiations with the second highest ranked respondent.

Selection may be made without further discussion, negotiations or Offeror's presentations; therefore, Offeror shall offer the most favorable terms in response to this RFP. Offeror must demonstrate an understanding of the scope of service to be provided and the ability to accomplish the tasks set forth. Offeror shall include information that will enable the City to determine the Offeror's overall qualifications. The City reserves the right to request additional information or clarification on any matter included in the proposal response, to enable the City to arrive at the final award decision.

Award - When the Review Panel has completed its work, City staff will then recommend a firm to the City Manager and City Council for approval. The services provided by the successful bidder shall be governed by a Standard Services Agreement (Appendix D).

APPENDIX A – Organizational Chart

APPENDIX B – List of Full-Time Classifications

APPENDIX C – List of Part-Time Classifications

APPENDIX D – Standard Services Agreement

APPENDIX E – Insurance Requirements

ATTACHMENT 2

1. **Exhibit B, numbered section 5 is amended in its entirety to read as follows:**

"The City will pay invoice(s) within 45 days consistent with the billing provisions in the Contractor's proposal. The City shall not pay late fees or interest."

2. **Exhibit D – General Conditions, numbered section 3 is amended in its entirety to read as follows:**

"Ownership of Deliverables. Except to the extent that they incorporate Contractor's proprietary software, tools, know-how, techniques, methodologies and report formats (collectively, "Contractor's Proprietary Information"), all documents, data, and other tangible materials authored or prepared and delivered by Contractor to City under this Agreement (collectively, the "Deliverables"), are the sole and exclusive property of City once paid for by City. To the extent Contractor's Proprietary Information is incorporated into such Deliverables, City shall have a perpetual, nonexclusive, worldwide, royalty-free license to use, copy, and modify Contractor's Proprietary Information as part of the Deliverables internally and for their intended purpose."

3. **Exhibit D – General Conditions, numbered section 4 is amended in its entirety to read as follows:**

"Intentionally Left Blank."

4. **Exhibit D – General Conditions, numbered section 13 is amended in its entirety to read as follows:**

"Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Contract, City may terminate this Contract by giving not less than ten (10) business days' prior written notice of such termination, stating the reasons for such termination (the "Notice Period"). Termination under this provision will only take effect if the Contractor has not cured the failure prior to expiration of the Notice Period. Contractor shall be compensated as provided in Section 12 of these General Conditions; provided, however, there shall be deducted from such amount the amount of damage, including attorney's fees, expert witness fees and costs, if any, sustained by City by virtue of Contractor's breach of this Contract. Additionally, in the event of such termination, the City may proceed with the work in any reasonable manner it chooses."

5. **Exhibit D – General Conditions, numbered section 15(b) is amended in its entirety to read as follows:**

"If this Contract is not a contract for design professional services subject to California Civil Code Section 2782.5(a) or Contractor is not a design professional as defined in California Civil Code Section 2782.8(b)(2), Contractor shall indemnify, defend, and hold harmless the City, its officers, agents, employees and volunteers from any and all claims, suits, or actions of every name, kind and description, brought forth on account of injuries to or death of any person or damage to property to the extent determined to result from the willful misconduct, negligent acts, errors or omissions, ultra-hazardous

ATTACHMENT 2

activities, activities giving rise to strict liability, or defects in design by Contractor or any person directly or indirectly employed by, or acting as, the agent for Contractor in the performance of this Contract.”

6. **Exhibit D – General Conditions, numbered section 15(c) is amended in its entirety to read as follows:**

Not applicable.