

Agenda Summary Report (ASR)

Franklin County Board of Commissioners

DATE SUBMITTED: 3.17.2023	PREPARED BY: Sam Hughes
Meeting Date Requested: 3.28.2023	PRESENTED BY: Sam Hughes
ITEM: (Select One Consent Agenda x Brought Before the Board Time needed: 10 minutes	
SUBJECT: Approval of the clerical typos to the Gallagher contract and the added addendum.	
FISCAL IMPACT: \$0, there is no additional fiscal impact as this is for clerical errors and added documents to the contract	
BACKGROUND: In January 2023, Gallagher was chosen by the County Commissioners as the selected company to perform the reclassification and compensation study for Franklin County. After receiving the contract from Gallagher it was discovered there were several clerical errors. Gallagher has resent the contract with the clerical errors corrected and have also provided an addendum. It is now necessary for the County Commissioner's to approve the amended contract and addendum.	
COORDINATION: Sam Hughes, HR Director has worked with Jen Johnson, Attorney, Duane Davidson, the Interim County Administrator and Gallagher to fix the clerical errors in the contract.	
RECOMMENDATION: HR and County Administration recommend the adoption of the amended Gallagher contract and addendum, as presented in the resolution.	
ATTACHMENTS: (Documents you are submitting to the Board) Resolution, ASR, and Gallagher contract and Addendum.	
HANDLING / ROUTING: (Once document is fully executed it will be imported into Document Manager. Please list <u>name(s)</u> of party(s) that will need a pdf.) Original : Clerk of the Board, Karin Milham Copy: Duane A. Davidson, Interim County Administrator Tim Anderson, Financial Director Jen Johnson, Attorney Sam Hughes, Human Resources	

I certify the above information is accurate and complete.

Name:  Sam Hughes, HR Director

FRANKLIN COUNTY RESOLUTION _____

**BEFORE THE BOARD OF COUNTY COMMISSIONERS,
FRANKLIN COUNTY, WASHINGTON**

***RESOLUTION APPROVING CLERICAL AMENDMENTS TO THE CONTRACT FROM GALLAGHER HR &
COMPENSATION CONSULTING (hereinafter "Gallagher") AND APPROVAL OF THE ADDENDUM***

WHEREAS, in January 2023, the Board of County Commissioners, approved the hiring of Gallagher to conduct a compensation study and reclassification for Franklin County; and

WHEREAS, the Human Resources Department discovered several clerical errors in the provided contract from Gallagher; and

WHEREAS, Gallagher has corrected the clerical errors and provided an amended contract as well as an addendum; and

WHEREAS, it is deemed in the best interest of Franklin County and the approval of the compensation study and reclassification to accept the amended contract as well as the addendum for Gallagher.

NOW, THEREFORE, BE IT RESOLVED, the Franklin County Board of Commissioners hereby approves amended contract and the addendum which are provided by Gallagher.

APPROVED this _____ day of _____, 2023.

**BOARD OF COUNTY COMMISSIONERS
FRANKLIN COUNTY, WASHINGTON**

Chair

Chair Pro Tem

Member

Attest:

Clerk of the Board

AGREEMENT

AGREEMENT FOR PROFESSIONAL SERVICES

AGREEMENT FOR PROFESSIONAL SERVICES

PERSONAL SERVICES CONTRACT

TERMS AND CONDITIONS

THIS CONTRACT is made and entered into by and between FRANKLIN COUNTY, a political subdivision, with its principal offices at 1016 North 4th Avenue, Pasco, WA 99301 (hereinafter "COUNTY"), and **Gallagher Benefits Services**, with its principal offices at 1318 Craigleigh Drive, Nolensville, TN 37135, (hereinafter "CONTRACTOR").

In consideration of the mutual benefits and covenants contained herein, the parties agree as follows:

1. CONTRACT DOCUMENTS

This Contract consists of the following documents **[This Section should list any exhibits and/or attachments used]:**

- a. **Terms and Conditions** listed in RFP
- b. **Scope of Work**, also listed in RFP, includes classification study, salary survey, job description review/updates, evaluation of internal equity and compression, FLSA review, and all market data to be provided to County (not simply min, mid and max)
- c. **Compensation** listed in RFP

2. DURATION OF CONTRACT

The term of this Contract shall begin January 9, 2023, and shall expire in August, 2023. The CONTRACTOR shall complete all work by the time(s) specified herein, or if no such time is otherwise specified, no later than the expiration date.

3. SERVICES PROVIDED

The CONTRACTOR shall perform the following services:

- a. Scope of Work, also listed in RFP, includes classification study, salary survey, job description review/updates, evaluation of internal equity and compression, FLSA review, and all market data to be provided to County (not simply min, mid and max). A detailed description of the services to be performed by the CONTRACTOR is set forth in the RFP, which is attached hereto and incorporated herein by reference.
- b. The CONTRACTOR agrees to provide its own labor and materials. Unless otherwise provided in this Contract, no material, labor, or facilities will be furnished by the COUNTY.
- c. The CONTRACTOR shall perform the work specified in this Contract according to standard industry practice.
- d. The CONTRACTOR shall complete its work in a timely manner and in accordance with the schedule agreed by the parties.
- e. The CONTRACTOR shall confer with the COUNTY from time to time during the progress of the work. The CONTRACTOR shall prepare and present status reports and other information that may be pertinent and necessary, or as may be requested by the COUNTY.

4. CONTRACT REPRESENTATIVES

Each party to this Contract shall have a contract representative. Each party may change its representative upon providing written notice to the other party. The parties' representatives are as follows:

a. For CONTRACTOR: Erik Smetana, Gallagher Benefits Services, 1318 Craigleigh Drive, Nolensville, TN 37135. Phone: 314.494.4839. Email: erik_henrysmetana@aig.com.

b. For COUNTY: Sam Hughes, Franklin County Human Resources, 1016 N 4th Avenue, Pasco, Washington, 99301. Phone: 509.546.5819. Fax: 509.546.5814. Email: shughes@franklincountywa.gov.

5. COMPENSATION

For the services performed hereunder, the CONTRACTOR shall be paid as follows:

- a. A detailed description of the compensation to be paid by the COUNTY is set forth in the RFP which is attached hereto and incorporated herein by reference.
- b. The maximum total amount payable by the COUNTY to the CONTRACTOR under this Contract shall not exceed \$114,946 including sales tax.
- c. No payment shall be made for any work performed by the CONTRACTOR, except for work identified and set forth in this Contract.
- d. The CONTRACTOR may submit invoices to the COUNTY not more than once per month during the progress of the work for partial payment of the work completed to date. Invoices shall cover the time CONTRACTOR performed work for the COUNTY during the billing period. The COUNTY shall pay the CONTRACTOR for services rendered in the month following the actual delivery of work and will remit payment within thirty (30) days from the date of receipt.
- e. The CONTRACTOR shall not be paid for services rendered under this Contract unless and until they have been performed to the satisfaction of the COUNTY.

- f. In the event the CONTRACTOR has failed to perform any substantial obligation to be performed by the CONTRACTOR under this Contract and such failure has not been cured within ten (10) days following notice from the COUNTY, the COUNTY may, in its sole discretion, upon written notice to the CONTRACTOR,

withhold any and all monies due and payable to the CONTRACTOR, without penalty, until such failure to perform is cured or otherwise adjudicated. "Substantial" for the purposes of this Contract means faithfully fulfilling the terms of this Contract with variances only for technical or minor omissions or defects.

- g. Unless otherwise provided in this Contract or any exhibits or attachments hereto, the CONTRACTOR will not be paid for any billings or invoices presented for services rendered prior to the execution of this Contract or after its termination.

6. AMENDMENTS AND CHANGES IN WORK

- a. In the event of any errors or omissions by the CONTRACTOR in the performance of any work required under this Contract, the CONTRACTOR shall make any and all necessary corrections without additional compensation. All work submitted by the CONTRACTOR shall be certified by the CONTRACTOR and checked for errors and omissions. The CONTRACTOR shall be responsible for the accuracy of the work, even if the work is accepted by the COUNTY.
- b. No amendment or modification shall be made to this Contract, unless set forth in a written Contract Amendment signed by both parties' authorized representatives. Work under a Contract Amendment shall not proceed until the Contract Amendment is duly executed by the COUNTY.

7. HOLD HARMLESS AND INDEMNIFICATION

- a. The CONTRACTOR shall hold harmless, indemnify and defend the COUNTY, its officers, officials, employees and agents, from and against any and all claims, actions, suits, liability, loss, expenses, damages, and judgments of any nature whatsoever, including reasonable costs and attorneys' fees in defense thereof, for injury, sickness, disability or death to persons or damage to property or business, caused by or arising out of the CONTRACTOR'S acts, errors or omissions in the performance of this Contract. PROVIDED, that the CONTRACTOR'S obligation hereunder shall not extend to injury, sickness, death or damage caused by or arising out of the sole negligence of the COUNTY, its officers, officials, employees or agents.
- b. In any and all claims against the COUNTY, its officers, officials, employees and agents by

any employee of the CONTRACTOR, subcontractor, anyone directly or

indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation under this Section shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the CONTRACTOR or subcontractor under Workers Compensation acts, disability benefit acts, or other employee benefit acts, it being clearly agreed and understood by the parties hereto that the CONTRACTOR expressly waives any immunity the CONTRACTOR might have had under such laws, including but not limited to Title 51 of the Revised Code of Washington. **By executing this Contract, the CONTRACTOR acknowledges that the foregoing waiver has been mutually negotiated by the parties and that the provisions of this Section shall be incorporated, as relevant, into any contract the CONTRACTOR makes with any subcontractor or agent performing work hereunder. CONTRACTOR'S obligations under this Section [7] shall survive termination and expiration of this Contract.**

- c. The CONTRACTOR'S obligations hereunder shall include, but are not limited to, investigating, adjusting and defending all claims alleging loss from action, error or omission, or breach of any common law, statutory or other delegated duty by the CONTRACTOR, the CONTRACTOR'S employees, agents or subcontractors.

8. INSURANCE

- a. **Professional Legal Liability:** Prior to the start of work under this Contract, the CONTRACTOR, if he, she or it is a licensed professional, shall maintain Professional Legal Liability or Professional Errors and Omissions coverage appropriate to the CONTRACTOR'S profession and shall be written subject to limits of not less than one million dollars (\$1,000,000) per occurrence, loss or person. If the policy contains a general aggregate or policy limit it shall be at least two times the incident, loss or person limit.

The coverage shall apply to liability for a professional error, act or omission arising out of the scope of the CONTRACTOR'S services defined in this Contract. Coverage shall not exclude bodily injury or property damage. Coverage shall not exclude hazards related to the work rendered as part of the Contract or within the scope of the CONTRACTOR'S services as defined by this Contract including testing, monitoring, measuring operations, or laboratory analysis where such services are rendered as part of the Contract. The policy shall state that coverage is claims made, and state the retroactive date. CONTRACTOR is also required to buy claims made professional liability insurance for a period of 36 months after completion of this Contract, which can be satisfied by the continuous purchase of the above referenced insurance or an extended reporting period policy. CONTRACTOR shall annually provide COUNTY with proof of all such insurance.

- b. **Workers Compensation:** CONTRACTOR shall comply with all State of Washington workers compensation statutes and regulations. Prior to the start of work under this Contract, workers compensation coverage shall be provided for all employees of CONTRACTOR and employees of any subcontractor or sub subcontractor. Coverage shall include bodily injury (including death) by accident or disease, which arises out of or in connection with the performance of this Contract. Except as prohibited by law, CONTRACTOR waives all rights of subrogation against the COUNTY for recovery of damages to the extent they are covered by workers compensation, employers liability, commercial liability or commercial umbrella liability insurance.

If CONTRACTOR, subcontractor, or sub-subcontractor fails to comply with all State of Washington workers compensation statutes and regulations and COUNTY incurs fines or is required by law to provide benefits to or obtain coverage for such employees, CONTRACTOR shall indemnify the COUNTY. Indemnity shall include all fines, payment of benefits to CONTRACTOR or subcontractor employees, or their heirs or legal representatives, and the cost of effecting coverage on behalf of such employees. Any amount owed to COUNTY by CONTRACTOR pursuant to the indemnity agreement may be deducted from any payments owed by COUNTY to CONTRACTOR for performance of this Contract.

Certain work or services under this Contract may require insurance coverage for long shore or harbor workers other than seaman as provided in the Long Shore and Harbor Workers Compensation Act [33 U.S.C.A. Section 901 et seq.]. Failure to obtain coverage in the amount required by law may result in civil and criminal liabilities. CONTRACTOR is fully responsible for ascertaining if such insurance is required and shall maintain insurance in compliance with that Act. CONTRACTOR is responsible for all civil and criminal liability that may arise from the failure to maintain such coverage.

Certain work or services under this Contract may require insurance coverage for seamen injured during employment resulting from the negligence of the owner, master or fellow crew members as provided in 46 U.S.C.A. Section 688. Failure to obtain coverage in the amount required by law may result in civil and criminal liabilities. CONTRACTOR is fully responsible for ascertaining if such insurance is required and shall maintain insurance in compliance with that Act. CONTRACTOR is responsible for all civil and criminal liability that may arise from the failure to maintain coverage.

- c. **Commercial General Liability and Employers Liability Insurance:** Prior to the start of work under this Contract, CONTRACTOR shall maintain commercial general liability coverage (policy form CG0001 or equivalent) for wrongful death, bodily injury, personal injury and property damage, subject to limits of not less than one million dollars (\$1,000,000) per occurrence. The general aggregate limit shall apply separately to this Contract and be no less than two million dollars (\$2,000,000).

The general commercial liability policy will contain an endorsement naming the COUNTY, its officials, officers, employees and agents as an additional insured (CG2010) and an endorsement that specifically states that CONTRACTOR's general liability policy shall be primary, and not contributory, with any other insurance maintained by the COUNTY.

The CONTRACTOR will provide commercial general liability coverage that does not exclude any activity to be performed in fulfillment of this Contract and does not exclude liability pursuant to the indemnification requirement under Section [7]. Specialized forms specific to the industry of the CONTRACTOR will be deemed equivalent; provided, coverage will be no more restrictive than would be provided under a standard commercial general liability policy and will include contractual liability coverage.

If CONTRACTOR has any employees, CONTRACTOR also shall maintain employers liability insurance with limits of not less than one million dollars (\$1,000,000) each incident for bodily injury by accident or one million dollars (\$1,000,000) each employee for bodily injury by disease.

- d. **Automobile Liability:** Not applicable.

- e. **Other Insurance Provisions:**

- (1) The CONTRACTOR'S liability insurance provisions shall be primary with respect to any insurance or self-insurance programs covering the COUNTY, its elected and appointed officers, officials, employees and agents.

- (2) The CONTRACTOR'S liability insurance policies shall contain no special limitations on the scope of protection afforded to the COUNTY, its officials, officers, employees or agents as an additional insured.
- (3) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the COUNTY, its officers, officials, employees or agents.
- (4) The CONTRACTOR'S insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (5) The CONTRACTOR shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to all of the requirements stated herein.
- (6) The insurance limits mandated for any insurance coverage required by this Contract are not intended to be an indication of exposure nor are they limitations on indemnification.
- (7) The CONTRACTOR shall maintain all required policies in force from the time services commence until services are completed. Certificates, policies, and endorsements expiring before completion of services shall be promptly replaced. All liability insurance required under this Contract, except for professional liability under Section **[8(a)]**, shall be written on an Occurrence Policy form. Professional liability insurance on a Claims Made form shall have a retroactive date prior to or coincident with the effective date of this Contract.

- f. **Verification of Coverage and Acceptability of Insurers:** All insurance required under this Contract shall be issued by companies admitted to do business within the State of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports. Any exception to this requirement must be reviewed and approved in writing by the Franklin County Risk Manager. If an insurer is not admitted to do business within Washington State, all insurance policies and procedures for issuing the insurance policy must comply with Chapter 48.15 RCW and 284-15 WAC.

- (1) The CONTRACTOR shall furnish the COUNTY with properly executed and unaltered

Acord form certificates of insurance and, if requested, a signed policy endorsement(s) which shall clearly evidence all required insurance prior to commencing work under this Contract. The certificates will, at a minimum, list limits of liability and coverage. For any professional liability insurance, the CONTRACTOR agrees that the insurance contract will not be canceled or allowed to expire except on twenty-eight (28) days prior written notice to the COUNTY by the CONTRACTOR. For other insurance policies, CONTRACTOR shall not cancel or allow the insurance contract to expire except on forty-five (45) days prior written notice to the COUNTY. CONTRACTOR shall also instruct the insurer to give the COUNTY forty-five (45) days advanced written notice of any cancellation by the insurer. The certificate or endorsement shall not limit or negate the insurer's obligation as required by law to notify the COUNTY as an additional insured of cancellation.

- (2) The CONTRACTOR shall furnish the COUNTY with evidence that the additional insured provision required above has been met. Acceptable forms of evidence are the endorsement pages of the policy showing the COUNTY, its officials, officers, employees, or agents as an additional insured.
- (3) Certificates of insurance shall show the certificate holder as "Franklin County" and include "c/o" the COUNTY'S Contract Representative. The address of the certificate holder shall be shown as the current address of the COUNTY'S Contract Representative.
- (4) If the CONTRACTOR or any subcontractor or sub-subcontractor has any employees, CONTRACTOR shall request the Washington State Department of Labor and Industries, Workers Compensation Representative, to send written verification to Franklin County that CONTRACTOR is currently paying workers compensation.
- (5) All written notices under this Section [8] and notice of cancellation or change of required insurance coverages shall be mailed to the COUNTY at the following address:

Franklin County Prosecuting Attorney's Office Attn: Risk
Manager
1016 North 4th Avenue Pasco,
Washington 99301

- (6) The CONTRACTOR or its broker shall immediately provide a copy of any and all insurance policies specified in this Contract upon request of the Franklin County Risk Manager.

- (7) If CONTRACTOR is self-insured for worker's compensation coverage, evidence of its status as a self-insured entity shall be provided to COUNTY. If requested by COUNTY, CONTRACTOR must describe its financial condition and the self-insured funding mechanism.

9. **TERMINATION**

- a. The COUNTY may terminate this Contract in whole or in part whenever the COUNTY determines, in its sole discretion that such termination is in the best interests of the COUNTY. The COUNTY may terminate this Contract upon giving ten (10) days written notice by certified mail to the CONTRACTOR. In that event, the COUNTY shall pay the CONTRACTOR for all costs incurred by the CONTRACTOR in performing the Contract up to the date of such notice. Payment shall be made in accordance with the Compensation Section of this Contract.
- b. In the event that funding for this project is withdrawn, reduced or limited in any way after the effective date of this Contract, the COUNTY may summarily terminate this Contract notwithstanding any other termination provision in this Contract. Termination under this paragraph shall be effective upon the date specified in the written notice of termination sent by COUNTY to the CONTRACTOR. After the effective date, no charges incurred under this Contract shall be allowed.
- c. If the CONTRACTOR breaches any of its obligations hereunder, and fails to cure the breach within ten (10) days of written notice to do so by the COUNTY, the COUNTY may immediately terminate this Contract by so notifying the CONTRACTOR, in which case the COUNTY shall pay the CONTRACTOR only for the costs of services accepted by the COUNTY, in accordance with the Compensation Section of this Contract. Upon such termination, the COUNTY, at its discretion, may obtain performance of the work elsewhere, and the CONTRACTOR shall bear all costs and expenses incurred by the COUNTY in completing the work and all damage sustained by the COUNTY by reason of the CONTRACTOR'S breach.

10. **ASSIGNMENT, DELEGATION AND SUBCONTRACTING**

- a. The CONTRACTOR shall perform the terms of this Contract using only its bona fide employees or agents, and the obligations and duties of the CONTRACTOR under this Contract shall not be assigned, delegated, or subcontracted to any other person or firm without the prior express written consent of the COUNTY's authorized representatives.
- b. The CONTRACTOR warrants that it has not paid nor has it agreed to pay any company, person, partnership, or firm, other than a bona fide employee working exclusively for CONTRACTOR, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award or making of this Contract.

11. NON-WAIVER OF RIGHTS

The parties agree that the excuse or forgiveness of performance, or waiver of any provision(s) of this Contract does not constitute a waiver of such provision(s) or future performance, or prejudice the right of the waiving party to enforce any of the provisions of this Contract at a later time. All waivers of any provision(s) of this Contract shall be in writing and signed by the waiving party's authorized representatives, and in the absence of such, no action or inaction shall be construed to be such a waiver.

12. INDEPENDENT CONTRACTOR

- a. The CONTRACTOR'S services shall be furnished by the CONTRACTOR as an independent contractor and not as an agent, employee or servant of the COUNTY. The CONTRACTOR specifically has the right to direct and control CONTRACTOR'S own activities in providing the agreed services in accordance with the specifications set out in thisContract.
- b. The CONTRACTOR acknowledges that the entire compensation for this Contract is set forth in Section [5] of this Contract, and neither the CONTRACTOR nor its employees are entitled to any COUNTY benefits, including, but not limited to: vacation pay, holiday pay, sick leave pay, medical, dental, or other insurance benefits, fringe benefits, or any other rights or privileges afforded to COUNTY employees.
- c. The CONTRACTOR shall have and maintain complete responsibility and control over all of its subcontractors, employees, agents, and representatives. No subcontractor, employee, agent, or representative of the CONTRACTOR shall be or deem to be or act or purport to act as an employee, agent, or representative of the COUNTY.
- d. CONTRACTOR shall pay for all taxes, fees, licenses, or payments required by federal, state or local law which are now or may be enacted during the term ofthis Contract.

- e. The CONTRACTOR agrees to immediately remove any of its employees or agents from their assignment to perform services under this Contract upon receipt of a written request to do so from the COUNTY'S contract representative or designee.

13. COMPLIANCE WITH LAWS

The CONTRACTOR shall comply with all applicable federal, state and local laws, rules and regulations in performing this Contract.

14. INSPECTION OF BOOKS AND RECORDS

The COUNTY may, at reasonable times, inspect the books and records of the CONTRACTOR relating to the performance of this Contract. The CONTRACTOR shall keep all records required by this Contract for six(6) years after termination of this Contract for audit purposes.

15. NONDISCRIMINATION

The CONTRACTOR, its assignees, delegates, or subcontractors shall not discriminate against any person in the performance of any of its obligations hereunder on the basis of age, sex, marital status, sexual orientation, race, creed, religion, color, national origin, honorably discharged veteran or military status, disability, or any other protected status.

16. OWNERSHIP OF MATERIALS/WORKS PRODUCED

- a. All reports, drawings, plans, specifications, all forms of electronic media, and data and documents produced in the performance of the work under this Contract shall be "works for hire" as defined by the U.S. Copyright Act of 1976 and shall be owned by the COUNTY. Ownership includes the right to copyright, patent, register, and the ability to transfer these rights. The COUNTY agrees that if it uses any materials prepared by the CONTRACTOR for purposes other than those intended by this Contract, it does so at its sole risk and

it agrees to hold the

CONTRACTOR harmless therefrom to the extent such use is not agreed to in writing by the CONTRACTOR.

- b. An electronic copy of all word processing documents shall be immediately submitted to the COUNTY upon request or at the end of the job using the word processing program and version specified by the COUNTY.

17. PATENT/COPYRIGHT INFRINGEMENT

The CONTRACTOR shall hold harmless, indemnify and defend the COUNTY, its officials, officers, employees and agents, from and against any claimed action, cause or demand brought against the COUNTY, its officials, officers, employees and agents where such action is based on the claim that information supplied by the CONTRACTOR or subcontractor infringes any patent or copyright. The CONTRACTOR shall be notified promptly in writing by the COUNTY of any notice of such claim.

18. DISPUTES

Disputes between the CONTRACTOR and the COUNTY, arising under and by virtue of this Contract, shall be brought to the attention of the COUNTY at the earliest possible time in order that such matters may be settled or other appropriate action promptly taken.

Any dispute relating to the quality or acceptability of performance and/or compensation due the CONTRACTOR shall be decided by the COUNTY'S Contract Representative or designee. All rulings, orders, instructions and decisions of the COUNTY'S Contract Representative shall be final and conclusive, subject to CONTRACTOR'S right to seek alternative relief as outlined below.

Except for the right of either party to apply to a court of competent jurisdiction for a temporary restraining order or other provisional remedy to preserve the status quo or prevent

irreparable harm, the Parties agree to attempt in good faith to promptly resolve any dispute, controversy or claim arising out of or relating to this Agreement, including but not limited to payment disputes, through the alternative dispute resolutions as listed below.

A. NEGOTIATION

The Parties shall first attempt to resolve any controversies or disputes arising out of or relating to this Agreement through a good faith attempt at negotiation between the Parties or their designees.

8. MEDIATION

If the Parties are unable to resolve the dispute via negotiation, the Parties shall next attempt to resolve any controversies or disputes arising out of or relating to this Agreement through a good faith attempt at mediation as outlined in RCW 7.07. The mediation shall be conducted by a mediator that is mutually agreed upon by the Parties. Each party will pay its own attorneys' fees and costs and the cost of the mediator shall be equally split by the Parties.

C. ARBITRATION

1. Any controversy or claim arising out of or relating to this Agreement that is not resolved through mediation shall be resolved by final and binding arbitration pursuant to RCW 7.04A. Demand for arbitration shall be made in writing to the other party and shall be brought within three (3) years after the initial occurrence giving rise to the claim, dispute, or issue for which the arbitration is commenced, regardless of the date of discovery or whether the claim, dispute, or issue was continuing in nature.

2. The arbitration shall be held in Franklin County before a single arbitrator selected by the Agreement of the parties. If the parties cannot agree upon an arbitrator within fifteen (15) days after the demand for arbitration is made, the arbitrator shall be selected by a judge in the Superior Court of Franklin County in accordance with the procedures set out in RCW 7.04A.110.

3. Unless the parties agree otherwise in writing, the arbitration hearing shall occur no later than sixty (60) days after the date the arbitrator is appointed.

4. The parties agree that, with the exception of the circumstances set out in RCW 7.04A.230, the arbitrator's decision shall be binding, final and not appealable to any court of

law.

5. Each party shall pay its own costs of arbitration including attorneys' fees. The arbitrator's fee and any administrative expenses imposed by the arbitrator shall be shared equally by the parties.

19. CONFIDENTIALITY

The CONTRACTOR, its employees, subcontractors, and their employees shall maintain the confidentiality of all information provided by the COUNTY or acquired by the COUNTY in performance of this Contract, except upon the prior written consent of the COUNTY's authorized representatives or an order entered by a court of competent jurisdiction. The CONTRACTOR shall promptly give the COUNTY written notice of any judicial proceeding seeking disclosure of such information.

20. CHOICE OF LAW, JURISDICTION AND VENUE

- a. This Contract has been and shall be construed as having been made and delivered within the State of Washington, and it is agreed by each party hereto that this Contract shall be governed by the laws of the State of Washington, both as to its interpretation and performance.
- b. Any action at law, suit in equity, or judicial proceeding arising out of this Contract shall be instituted and maintained only in any of the courts of competent jurisdiction in Franklin County, Washington.

21. SUCCESSORS AND ASSIGNS

The COUNTY, to the extent permitted by law, and the CONTRACTOR each bind themselves, their partners, successors, executors, administrators, and assigns to the other party to this Contract and to the partners, successors, administrators, and assigns of such other party in respect to all covenants to this Contract.

22. SEVERABILITY

- a. If a court of competent jurisdiction holds any part, term or provision of this Contract to be illegal, or invalid in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if this Contract did not contain the particular provision held to be invalid.

- b. If it should appear that any provision of this Contract is in conflict with any statutory provision of the State of Washington, said provision which may conflict therewith shall be deemed inoperative and null and void insofar as it may be in conflict therewith, and shall be deemed modified to conform to such statutory provision.

23. ENTIRE AGREEMENT

The parties agree that this Contract is the complete expression of its terms and conditions. Any oral or written representations or understandings not incorporated in this Contract are specifically excluded.

24. NOTICES

Any notices shall be effective if personally served upon the other party or if mailed by registered or certified mail, return receipt requested, to the addresses set out in the Contract Representatives Section of this Contract. Notice may also be given by facsimile with the original to follow by regular mail. Notice shall be deemed to be given three days following the date of mailing or immediately, if personally served. For service by facsimile, service shall be effective at the beginning of the next working day.

25. SURVIVABILITY

All Contract terms, which by their context are clearly intended to survive the termination and/or expiration of this Contract, shall so survive. These terms include, but are not limited to, indemnification provisions (Sections [7] and [17]); extended reporting period requirements for professional liability insurance (Section [8(a)]); inspection and keeping of records and books (Section [14]); litigation hold notice (Section [26]); Public Records Act (Section [27]) and confidentiality (Section [19]).

26. LITIGATION HOLD NOTICE

In the event the COUNTY learns of circumstances leading to an increased likelihood of litigation regarding any matter where the records kept by CONTRACTOR pursuant to Section [14] of this contract may be of evidentiary value, the COUNTY may issue written notice to



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CONTRACTOR of such circumstances and direct the CONTRACTOR to "hold" such records. In the event that CONTRACTOR receives such written notice, CONTRACTOR shall abide by all directions therein whether or not such written notice is received at a time when a Contract between CONTRACTOR and the COUNTY is in force. Such directions will include, but will not be limited to, instructions to suspend the six (6) year purge schedule as set out above in Section [14].

27. PUBLIC RECORDS ACT

CONTRACTOR hereby acknowledges that the COUNTY is a governmental entity and as such is subject to the requirements of the Public Records Act, RCW 42.56 *et seq.* Accordingly, CONTRACTOR understands that to the extent a proper request is made, the COUNTY may be required by virtue of that Act to disclose any records actually in its possession or deemed by judicial determination to be in its possession, which may include records provided to the COUNTY by CONTRACTOR that CONTRACTOR might regard as confidential or proprietary. To the extent that CONTRACTOR provides any records to the COUNTY that it regards as confidential or proprietary, it agrees to conspicuously mark the records as such. CONTRACTOR also hereby waives any and all claims or causes of action for any injury it may suffer by virtue of COUNTY'S release of records covered under the Public Records Act. COUNTY agrees to take all reasonable steps to notify CONTRACTOR in a timely fashion of any request made under the Public Records Act which will require disclosure of any records marked by CONTRACTOR as confidential or proprietary, so that CONTRACTOR may seek a judicial order of protection if necessary.



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28. ACKNOWLEDGMENT

CONTRACTOR acknowledges that the Franklin County Courthouse, Public Safety Building, facilities, and its offices and departments therein, contain records and information that is confidential or privileged by operation of law. As a result the CONTRACTOR acknowledges and agrees that in the course of performing this Contract its employees or agents shall at all times refrain from engaging in any activities that would expose them to, or others to, such confidential or privileged information.

The parties to this Contract have executed this Contract to take effect as of the date written below.

DATED: February 22, 2023

Franklin County Board of Commissioners

Chairman

Chair Pro-Tem

Member



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Deputy Prosecuting Attorney, Franklin County

Client: Franklin City

Gallagher Benefit Services, Inc.

By: [Signature]
Name: Sgt. Hughes
Title: HC Director
Date: 2/7/23
Address: 1016 4th Ave N
Pasco, WA 99301

By: [Signature]
Name: Erik Henry-Smetana
Title: Managing Director
Date: February 22, 2023
Address: 8 Cadillac Drive, Suite 200
Brentwood, TN 37027



Gallagher

Insurance | Risk Management | Consulting

Constituting the Board of

County Commissioners of Franklin County, Washington.

Attest: _____

Clerk of the Board

DATED: _____

CONTRACTOR:

GALLAGHER BENEFITS SERVICES

[Print Name] Erik Smetana

Its _____

Principal

Form of Contract Pre-Approved by:

ADDENDUM



Insurance | Risk Management Consulting

Project Assignment

This Project Assignment is issued pursuant to the terms and conditions of the Purchase Order and the Master Service Agreement between Gallagher Benefit Services, Inc. ("Gallagher") and {Franklin County ("Client")}.

Scope of Services:

Deliverables and timeline as outlined in Attachment A.

Schedule / Period of Performance:

Deliverables and timeline as outlined in Attachment A.

Fees & Expenses (Select Preferred):

- ☐ \$114,946 fixed fee, payable in four (4) equal installments (\$28,736), per the completion and acceptance by CLIENT of the mutually agreed upon project tasks, milestones and schedule. These are defined as the first installment being initiated within thirty (30) days upon execution of agreement, subsequent installments billed monthly thereafter, and the final installment billed within thirty (30) of completion and provision and acceptance by CLIENT of final deliverables as outlined in Attachment A, including all anticipated project related expenses.
- ☐ \$114,946 fixed fee, payable in two (2) equal installments (\$57,473), per the completion and acceptance by CLIENT of the mutually agreed upon project tasks, milestones and schedule. These are defined as the first installment (50%) being initiated within thirty (30) days upon execution of agreement and the final installment (50%) billed within thirty (30) of completion and provision and acceptance by CLIENT of final deliverables as outlined in Attachment A, including all anticipated project related expenses.

This fixed fee is inclusive of the work agreed to in the final scope of work including the delivery/presentation of final materials as outlined. Any additional on-site days not included in the attached scope (Attachment A), as requested by and pre-approved by the client will be invoiced at \$4,000 per day.

Key Assumptions:

Client will provide Gallagher with access to the necessary resources (i.e. internal salary data, job descriptions, study-related materials, access to client salary survey subscriptions, etc.) required to complete the assignment.

Special Requirements:

N/A

ACCEPTED AND AGREED:

Client: Franklin County

Gallagher Benefit Services, Inc.

By: [Signature]
Name: San Hughes
Title: HR Director
Date: 2.7.23
Address: 1016 4th Ave N
Pasco, WA 99301

By: [Signature]
Name: Erik Henry-Smetana
Title: Managing Director
Date: February 22, 2023
Address: 8 Cadillac Drive, Suite 200
Brentwood, TN 37027



Gallagher

Insurance | Risk Management Consulting

ATTACHMENT A

PROJECT ASSIGNMENT & SCOPE OF WORK

Gallagher will complete a compensation study to determine the relative competitiveness of the Client's structure and compensation to the market, identify and deliver recommendations related to market viability, processes, and associated materials and resources. The project will be administered in three (3) overlapping phases as outlined in Gallagher's initial proposal:

I. Project Initiation and Administration	<ol style="list-style-type: none"> i. Preliminary Meeting with Key Stakeholders regarding org changes, needs, labor shifts, and project details. ii. Kickoff Meeting with Franklin County project team. iii. Stakeholder Meeting and project overview to focus on better understanding of the Franklin County culture, philosophies on key issues, and to help Gallagher identify appropriate strategies and methodologies for addressing the Franklin County concerns, and project linked opportunities. iv. Employee Presentation and overview. v. Franklin County and Gallagher bi-weekly status meetings regarding project status, deliverables, and necessary face-to-face communications as well as information vetting through the life of the project.
II. Compensation Benchmarking and Structure Development and Alignment	<p>Provide an evaluation of job worth hierarchy for classified full-time jobs within the County to validate the appropriate pay range for each position. Audit career progression within the classification structure and recommend adjustments.</p> <p>Job evaluation is a critical component and first step toward the development of a meaningful career and compensation framework – a foundational component of building a sustainable and strategic set of HR programs and deliverables over time, including refining and creating clarity around the County's employment value proposition and the value of a career with Franklin County that includes, but goes beyond just compensation.</p> <ul style="list-style-type: none"> ▪ Market analysis performed on identified benchmarks. <p><u>Leveraging Validated Survey Sources</u></p> <ul style="list-style-type: none"> ▪ Identify appropriate published survey sources (e.g., Mercer, CompData, Towers Watson etc.). ▪ Collect market data from published survey sources using data cuts from public, private, local, state and regional sources. <p><u>The following activities will be performed on all data:</u></p> <ul style="list-style-type: none"> ▪ Comprehensive internal salary relationship analysis of data to ensure the structure is internally equitable and externally competitive. ▪ Competitive analysis of market data (salary, benefits, and contracts) performed. ▪ Diagnostic review of current salary structures conducted to identify opportunities for simplification, reduction in pay compression. ▪ Recommended pay structure developed or existing structures updated (includes 1 revision if requested). ▪ Internal review conducted and consolidated feedback provided by the County. The County approves the updates to the pay plan(s) and other recommendations and implementation options. ▪ Provide the County with transition options, recommendations and next steps/ongoing maintenance.



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III. Project Finalization

- Conduct meetings with HR/leadership/project team at critical intervals to discuss deliverables.
- Draft and final report and presentations developed.
- QA and review meeting of final report and presentation
- Finalization of the County's compensation philosophy and supporting strategies alongside compensation study results.
- All system implementation deliverables are provided in formats for HRIS integration—typically Excel.
- Training provided for staff including necessary tools to maintain the system.
- Presentation of final report to County stakeholders (in this case, members of the board)
- Project closeout meeting with Gallagher team and Franklin County project team

The study will be completed using commercially available survey data as applicable and necessary to meet the agreed upon deliverables, including provision of access to client surveys, leveraging an existing or new subscription of the client. Consulting fees for this project are outlined in the preceding project assignment and payable on an installment basis as outlined therein. The schedule presented below employs a sequential process of conducting a study of this nature although some tasks can be conducted simultaneously.

Project Initiation & Administration		Compensation Benchmarking & Related Study	Project Finalization
10/1/2021		10/1/2021	10/1/2021
11/1/2021		11/1/2021	11/1/2021
12/1/2021		12/1/2021	12/1/2021
1/1/2022		1/1/2022	1/1/2022
2/1/2022		2/1/2022	2/1/2022
3/1/2022		3/1/2022	3/1/2022
4/1/2022		4/1/2022	4/1/2022
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6/1/2037		6/1/2037	6/1/2037
7/1/2037		7/1/2037	7/1/2037
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Gallagher

Insurance | Risk Management Consulting



Gallagher

Franklin County, Washington

COMPENSATION, CLASSIFICATION STUDY
& JOB DESCRIPTION REVIEW/REVISION

DECEMBER 2022

ERIK SMETANA

PRINCIPAL CONSULTANT

ERIK_HENRYSMETANA@AJG.COM

GALLAGHER

HR & COMPENSATION CONSULTING

PUBLIC SECTOR & HIGHER ED PRACTICE





December 21, 2022

Mr. Sam Hughes
Interim Human Resources Director
Franklin County

Dear Mr. Hughes,

We appreciate the opportunity to present this proposal regarding the services that Gallagher's Public Sector & Higher Education consulting practice is able to offer Franklin County Washington (the County). It is our understanding that Franklin County is seeking a consultant for the purpose of conducting a comprehensive compensation & Classification study.

Based on this understanding we have prepared said proposal which describes our practice's capabilities, experience, and approach to the project.

We believe we will provide Franklin County with the most experientially and demographically diverse project team of any consulting practice in the country, which enhances the solutions and recommendations we will provide on this engagement. The questions and perspectives provided by our team ensure we anticipate the many issues Franklin County may face throughout this project, as well as the ongoing management of associated frameworks, programs, and structures.

We appreciate the opportunity to submit this proposal and look forward to the possibility of assisting Franklin County in conducting this study.

Sincerely,

A handwritten signature in black ink, appearing to read 'Erik Smetana'.

Erik Smetana
Principal Consultant

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Statement of Scope

The goals of this project are similar to those of many other projects we have successfully performed for hundreds of non-profit and public sector organizations throughout the country. Our extensive experience includes developing and communicating a compensation philosophy, designing and implementing market-aligned pay structures, and developing job evaluation methods to maintain internal equity. We conduct benchmark analyses, including conducting custom tailored salary surveys, and recommend appropriate administrative and procedural guidelines to maintain the compensation system. We ensure that our clients are in compliance with applicable laws and regulations, such as the Fair Labor Standards Act (FLSA), the Americans with Disabilities Act (ADA), and Equal Employment Opportunity (EEO) standards and have pay systems that are appropriate for their organization and market strategy.

The scope of the engagement is to conduct a compensation and benchmarking study for approximately 190 positions representing the workforce population of the County. Gallagher will work with the County to develop a project plan and timeline that supports the County with the scope of services described below.

Compensation Study

Market Analysis

- Conduct a full market analysis of the County's current positions.
- Identify and use relevant markets for use in conducting comparative analysis.
- The analysis will include a minimum of fifteen (15) benchmark positions. In identifying relevant markets it is important to understand that the County may compete with both public and private employers for talent.

Salary Structure Redesign

- Develop a new salary structure that is reflective of an evolving workforce.
- The resulting structure is to reflect salaries set at a market position based on the County needs.
- Make recommendations for slotting existing positions into the newly developed salary structure.
- Identify cost impact of implementing the new structure—i.e. adjustments to range minimum, smoothing compression and equity adjustments.

In order to appropriately address these objectives and the scope of services described, Gallagher has developed a detailed project plan that addresses the key project areas.

Executive Summary

This proposal outlines our services, methodology, project team qualifications, references, and costing. We would like to first introduce you to our firm and demonstrate how the County may benefit from our experience...

- Our team comes to this project with a significant and diverse background of HR practitioner and leadership experience, with a strong history of compensation and classification experience as a core specialty.
- The scope of this project is similar to the goals of many other engagements that we have successfully performed for public sector organizations throughout the country, with our practice having served clients in this space for more than forty (40) years.
- Our people are proven, experienced professionals. Some of the many credentials our team brings to this particular effort, include: CCP (Certified Compensation Professional) designation from WorldatWork, IPMA-SCP (Certified Professional) designation from the International Public Management Association for Human Resources, SWP (Certified Strategic Workforce Planner) designation from the Human Capital Institute, and/or specialized degrees in HR Management/Industrial Relations, or Public/Business Administration at the masters and doctoral levels, and more.
- We listen to you to understand your current situation. We want to make sure that our approach is appropriate to your needs.
- We have the technical experience, as well as sensitivity to the significant impact of total rewards decisions to ensure results are appropriate for the County.

We believe we are well suited to assist you in conducting this sensitive and critical study. Our commitment to our clients is well established and we encourage you to contact other organizations that we are currently assisting or have recently assisted. We pride ourselves on offering our clients a level of customer service and quality work product that exceeds our competitors. The following outlines our methodology to complete this study.

Market Comparison & Benchmarking

We will work with the County to identify benchmark job classes for the purposes of a competitive market analysis, to include compensation and benefits details. We recommend that the County should be collecting market data on its job titles to ensure sufficient data and validity of the resulting salary structure. We will survey both current rates of pay, minimum and maximum rates of pay, in addition to the relevant benefits and the employer and employee cost. We will also integrate private sector salary information in the market comparison process from survey sources representing the local area market as appropriate.

we need county data only

need new data, steps

Executive Summary, continued

Salary Structure Development & Implementation Analysis

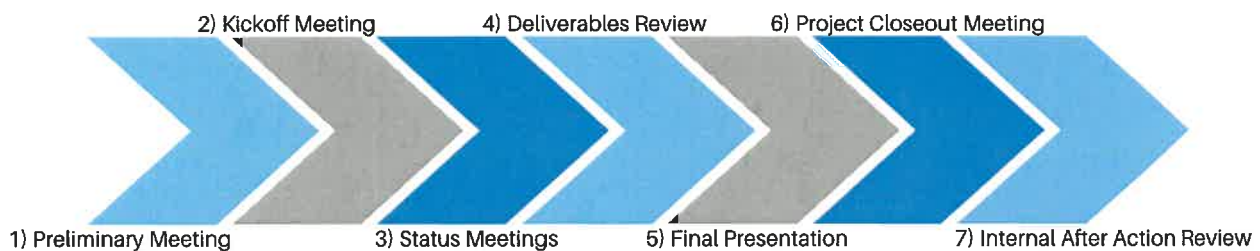
To develop a reliable salary structure, we integrate market data and custom survey results with the internal equity ratings from job evaluation so that the structure is internally equitable and externally competitive. In this step, we assign all jobs to the right pay grade and all employees to the right place in the range based on agreed-upon criteria. During this phase, we also discuss how pay progression is integrated into a sustainable system that grows with the County and allows for employee development and contribution to goal achievement. Up to three implementation scenarios will be provided to the County.

Final Report

Our final report will be prepared which outlines the process, methods, techniques and findings and recommendations of the study. It will include a financial impact analysis and recommended ways to implement and maintain the system in the future. We will provide the data in a format that can be used to update your HRIS system based on your implementation approach. Finally, we will train the HR staff in the proper procedure and methods to manage and maintain the system as well as provide tools and resources to support this maintenance.

Approach

Our practice takes a thoughtful and collaborative approach to all of our client engagements, where we work to ensure our efforts are ones which demonstrate how the Public Sector & Higher Education practice C.A.R.E.S. - collaborate/consult, advise/assess, recommend/resource, engage/endorse, and strategize/serve - about our clients and their needs. To that end our project approach starts with our process and client communications.



Gallagher has integrated the Scope of Services into our phased approach and deliverables to address the County's requests. All phases will require that designated the County team members and Gallagher have ongoing status meetings to explain the process, review the project's progress, review draft materials, address questions, and discuss next steps. The phased work plan is as follows:

Phase 1: Project Initiation, Strategy, Planning & Administration

- Initial meeting with key the County staff to initiate the project, discuss the study methodology, the process and tasks to be performed, the scope of the study, and dedicate key personnel to these tasks and accessibility.
- Discuss provisions regarding regular progress reports for the Human Resources office or designee at agreed upon intervals.
- Collecting organization & salary material.
- Identify possible barriers to implementing and maintaining change.
- Discuss/review the strengths and weaknesses of the County's current compensation frameworks.
- Discuss the County's current compensation philosophy and supporting strategies.
- Confirm the project comprehensive timeline for completion of all tasks included herein.
- Conduct project orientation sessions for employees or other stakeholders as necessary for successful project outcomes.

Up to four (4) on-site days for kickoff, analysis, findings review, and presentation are included in proposed pricing. All other meetings are presumed to be virtual and are included. Additional on-site visits are available at an additional charge to the County.

Approach, continued

Phase 2: Analysis, Project Study, and Development of Resources & Deliverables (Study)

- Analyze existing compensation programs and recommend changes to current plan based on market and other associated data. work performed.
- Utilize current job description information to assess and understand existing, roles, duties and related details for comparison to the market.
- Recommend appropriate framework position for each employee, including correction of identified discrepancies between existing and proposed classifications. Identify career ladders/promotional opportunities as deemed appropriate and recommendations for reporting structures.
- Appropriate FLSA status verified for classification to ensure proper Fair Labor Standards Act (FLSA) status for all employees.
- Confirm labor market(s), comparator organization, and desired data for collection from local, state, regional, and national sources.
- Benchmark positions identified, reviewed, and summarized.
- Develop and deploy data collection methodology (e.g. custom survey, published survey, data-mining) as appropriate to collect compensation and other pertinent information. Integrate published survey data as appropriate.

The following activities will be performed on all data:

- Comprehensive internal salary relationship analysis of data to ensure the structure is internally equitable and externally competitive.
- Examine other key compensation practices and recommend changes to areas that address the County's employee health, welfare, wellbeing, and other benefits. Competitive analysis performed.
- Diagnostic review of current salary structures conducted to identify opportunities for simplification, reduction in pay compression.
- Recommended pay structure developed or existing structures updated (includes 1 revision if requested).
- Internal review conducted and consolidated feedback provided by the County. the County approves the updates to the pay plan(s) and other recommendations and implementation options.
- Provide the County with up to three (3) transition options, recommendations and next steps/ongoing maintenance.

Phase 3: Project Finalization, Presentation & Deliverables

- Draft report developed and discussed with key the County staff.
- Quality assurance reviews conducted. the County review conducted and feedback incorporated.
- Final report of study findings and presentation to key the County Staff.
- Provide administrative guidelines and policies for review by the County.
- Solicit feedback from the County executive leadership on recommendations and address any questions or concerns in writing; make modifications to recommendations, as needed, based on feedback
- Recommend the best approach to coordinate the recommended pay plan with the current pay plan, including an implementation timeline that considers the County's budget constraints.
- Recommend policies, guidelines, and procedures for administration, including how the plan can be adjusted for cost of living and cost of labor and how employees advance through salary ranges.
- Present findings and recommendations to project team and other staff and elected officials as designated.
- Submit a final report with an executive summary of project results and the approved recommendations by the project team. This report will be used by the County, for which Gallagher will anticipate and deliver a presentation to client-identified stakeholders.
- Provide training and tools, resources, and documentation for the County staff to maintain the system independently post-implementation.

Approach, continued

Building upon our process, client communications, and phased project management plan, we strive to provide not just great value but also the highest quality consulting and advisory services. To that end, we hold ourselves to a high standard related to quality assurance. In conducting salary studies, we follow professionally accepted compensation principles and practices as outlined by WorldatWork, SHRM, the U.S. Department of Justice and the Federal Trade Commission. Some of these guidelines are listed on the following pages. We have also authored many articles on various aspects of conducting salary studies as well as human resources more broadly.

- We follow guidelines for benchmark selection in terms of how many benchmarks should be selected; either at least 30% if utilizing a formal job evaluation methodology or at least 50% if using a pure market approach. We include representation of all job families and levels throughout the organization; highly populated jobs; jobs found in most comparator organizations; and jobs with recruitment or retention problems.
- We review job descriptions to ensure the duties and responsibilities are understood as well as to make sure we understand the level that the job is functioning at and that reporting relationships are understood so that participating organizations can match their classifications to the benchmark jobs. We will draw on our 40+ years of salary and benefits survey experience to determine if we believe a comparable job can be found in the labor market.
- We follow guidelines for job matching (match only those jobs that match at least 80% of the duties, responsibilities and functions as outlined in the benchmark job summary).
- We follow professionally accepted guidelines for defining labor markets and selecting organizations to survey. We factor in that different jobs will have different recruiting markets, by type of organization, size of organization, and geographic location.
- Any published sources utilized must meet the following criteria:
 - Conducted by a reputable salary survey firm.
 - Survey data is not self-reported.
 - Survey is conducted on a continual basis instead of a one-time event.
 - Survey reports its data sources, the effective date of the data, and was tested to ensure accurate matches and data.

continually data updated

Approach, continued

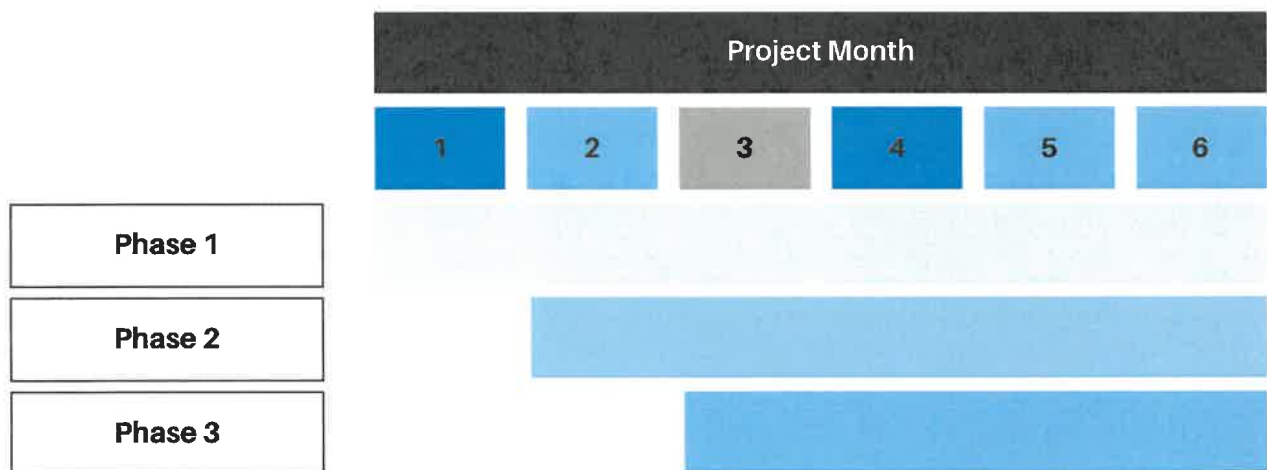
- For surveys, the questions in our data collection form have been field tested through over 40 years of salary and benefits experience to produce valid and accurate data. We pose questions in a fashion easy for participants to answer, as well as providing ease for quantification and analysis. Participants are given the option of completing the survey electronically or in hardcopy.
- We follow-up with participants to ensure data quality and validity of matches and data being reported. If there are questions, we seek job descriptions, organizational charts and other information and weekly status updates on the progress of the compensation study are provided.
- We perform several reviews of the data as well as statistical tests to identify any extreme data and to ensure the validity of the data.
- We utilize trend factors for aging data so that all data is consistent to a current point in time. The trend factors are derived from either the U.S. Department of Labor data or WorldatWork Surveys.
- We apply geographic differentials as appropriate and necessary to ensure that the data are reflective of your labor market and economic conditions. We use third party resources (Economic Research Institute) to identify the appropriate geographic differentials.
- We calculate various statistics for summarizing the data (means, medians, highs, lows, percentiles).
- We follow the U.S. Department of Justice and Federal Trade Commission guidelines that 5 matches should exist per job in order to draw reliable conclusions. Therefore we do not calculate statistics (means, medians, etc.) on jobs with fewer than 5 job matches.
- We submit our survey analysis and draft report internally through our firm's quality control process for review before it is submitted to our clients.
- We document and explain our methodology and processes in written reports and also provide electronic copies of the reports. All of the data and conclusions are transparent and auditable.

Project Timeline

The following is an estimate to complete each phase by month. We will discuss the details of each phase during Phase 1 and identify specific deadlines for the project at that time. We will conduct frequent status meetings with the County to ensure that the schedule is monitored throughout the project.

In today’s world, speed is very important. However, given the significance of this project, it is just as important for the County officials, department heads, and employees to have sufficient time to review and approve the recommendations of Gallagher and to ensure proper communications occur. We have prepared a timeline to ensure the County has the work products in an expeditious manner.

Our phases run concurrently, in that we do not wait until the full completion of a phase to begin another phase. Additionally, the schedule below may be decreased as any efficiencies are identified or gained throughout the project process. We are prepared to commence the work within two weeks of receiving your authorization to proceed, beginning with a Preliminary Meeting with the key project stakeholder/sponsor.



Cost Proposal

We understand the importance of this analysis. Therefore, we have proposed a fee schedule that is sensible and that generates project results that will add value to the County based on the estimated hours necessary to complete the project to our internal standards, deliver to client expectations, and complete the necessary and value-added steps of the project as outlined in this proposal.

Project Phase	Proposed Cost
Phase 1: Project Initiation, Strategy, Planning & Administration	\$8,948
Phase 2: Study <ul style="list-style-type: none">• Analysis, Project Study, and Development of Resources & Deliverables	\$91,500
Phase 3: Project Finalization, Presentation & Deliverables	\$8,948
Estimated Total Cost: \$109,396 <i>Pricing presumes all client contact and meetings will be virtual</i>	

The above fees assume all meetings, discussions, or presentations will be held via teleconference or webinar. In the event on-site visits are requested, they will be billed at actual cost for time, travel, and expenses.

Our study costs are directly derived from estimating the number of hours needed to perform the work and the level of the consultant charged with performing the work. Gallagher typically bills on an installment basis, the structure of which is identified at project award in coordination with the client. All anticipated expenses are included in this quote.

While we are flexible and open to modifications to the work plan, our approach is tailored to your requirements and designed to achieve your objectives for this project. We hope that the details contained herein provide clarity related to our practice, its history, and most importantly, our ability to serve you and provide outstanding value to meet and exceed your needs.