

AGENDA ITEM 2 F
Action Item

MEMORANDUM

DATE: March 2, 2017

TO: El Dorado County Transit Authority

FROM: Maria Harris, HR Manager/Admin Services

SUBJECT: Joint HR Services Agreement with Koff & Associates

REQUESTED ACTION:
BY MOTION,

- 1. Approve HR Services Procurement Sub-Agreement between the El Dorado County Transit Authority and Koff & Associates for a Classification and Compensation Study**
- 2. Authorize the Executive Director or his/her designee to approve and sign all documents necessary to complete a Classification and Compensation Study**
- 3. Approve Purchase Order No. 22276 to Koff & Associates for \$33,600**

BACKGROUND

A professional Compensation and Benefit Study prepared by Koff & Associates for El Dorado County Transit Authority (El Dorado Transit) was implemented in November 2014. At that time a review of job classifications was not included within the study.

March 6, 2014	The El Dorado Transit Board authorized publication of a Request for Proposals (RFP) for development of an agency-wide study based on total compensation (wages and value-of-benefits)
May 12, 2014	Contract award to Koff & Associates
June 19, 2014	El Dorado Transit Board approved comparator agencies for Study
October 2, 2014	The El Dorado Transit Board received and filed the <u>Final Report of the Total Compensation Study, El Dorado County Transit Authority, August 2014</u> prepared by Koff & Associates
November 6, 2014	The El Dorado Transit Board adopted the salary structure on November 6, 2014, per the <u>Final Report of the Total Compensation Study, El Dorado County Transit Authority, August 2014</u> (Study)

prepared by Koff & Associates. Copy of the report is available at <http://eldoradotransit.com/document-library/>

The El Dorado Transit Board of Directors approved a comprehensive compensation and benefit study on November 6, 2014 that analyzed and compared wages plus the value of benefits to approved relative comparator agencies.

The most significant outcome of the Study was a new salary structure that provides El Dorado Transit internal equity within job classifications and an effective salary structure that enables El Dorado Transit to establish pay ranges based on market studies including the Consumer Price Index which analyzes cost of living adjustments.

The new salary structure included the recommendation to “Y” rate two (2) job classifications and Grandfather three (3) job classifications whose salaries were above the market range at that time. The five (5) job classifications have remained in the current range until the market salaries catch-up with their current salary; resulting in no immediate loss of compensation, but delayed future increases until the incumbent’s salary falls within the salary range.

Compensation strategies within the report were designed to attract and retain excellent staff. The collected data has provided El Dorado Transit with an invaluable tool to utilize in making future compensation decisions. This includes regularly reviewing market data to determine appropriate compensation philosophies and guidelines.

DISCUSSION

The El Dorado Transit Human Resources Manager recommendation is to complete a full classification and compensation study as a strategy to maintain the integrity of the initial compensation/benefit study.

El Dorado Transit has eighteen (18) job classifications. Some classifications have not been updated since 1994 and others have been updated on a case by case basis. A significant objective of the proposed Classification and Compensation Study is to obtain accurate and descriptive information about the work in the classified positions. The goal in updating all job classifications is to ensure they are current and relevant which is an essential ingredient of a comprehensive compensation program. Job descriptions provide a basis for job comparison to market data collected for that job.

The Sacramento Area Council of Governments (SACOG) procured a Professional Services Agreement (PSA) with Koff & Associates to provide a Complete Classification and Compensation Study. There exists an opportunity to “piggyback” on the SACOG PSA with Koff & Associates. Staff recommends approving El Dorado Transit’s participation in the SACOG Joint HR Services Agreement.

The agreement between SACOG and Koff & Associates meets all local, federal and state adopted procurement requirements. A draft Sub-Agreement including Scope of Services (Exhibit A) is attached for review along with the purchase order.

FISCAL IMPACT

Cost Proposal: \$33,600

Contingency: \$ 4,000

Total: \$37,600

Amount included in Adopted Fiscal Year 2016/17 Budget.

Attachments:

- A. Sub-Agreement
- B. Purchase Order No. 22276

FORM OF PARTICIPATING AGENCY SUB AGREEMENT

HR SERVICES PROCUREMENT SUB-AGREEMENT

between

Koff & Associates and El Dorado County Transit Authority

THIS HR SERVICES PROCUREMENT AGREEMENT (the "Agreement"), is made and entered into this ____ day of _____, 2017, by and between the *El Dorado County Transit Authority*, a *describe form of entity* (hereinafter "Participating Agency"), and *Koff & Associates a California Corporation* (the "Contractor").

RECITALS:

A. The Sacramento Area Council of Governments ("SACOG") has entered into a Standard Agreement with Contractor, dated *September*, 2016 (the "SACOG Agreement") to provide various forms of Human Resource Services to certain participating SACOG member agencies and other eligible entities; and

B. The Participating Agency desires to purchase Human Resource Services from Contractor pursuant to the terms and conditions set forth below.

AGREEMENT:

NOW, THEREFORE, the parties agree as follows:

1. The provisions of the SACOG Agreement attached hereto as Exhibit A-2 are incorporated into this Agreement as though set forth in full herein. Except as otherwise expressly set forth herein, the terms and conditions of the SACOG Agreement are made applicable to Contractor's provision of services to the Participating Agency.

2. Contractor may perform any of the Eligible Services set forth in Exhibit A of the SACOG Agreement. The actual services to be provided by Contractor to the Participating Agency are set forth in the scope of work attached hereto as Exhibit A-1.

3. The Participating Agency shall pay Contractor in arrears for Human Resource Services delivered in accordance with the rate schedule set forth in Exhibit B of the SACOG Agreement, attached hereto. Payments shall be made pursuant to the payment provisions set forth in the SACOG Agreement.

5. Insurance Requirements.

(a) Contractor shall obtain and maintain the insurance required under Section 15 of the SACOG Agreement and shall cause the Participating Agency to be named as an additional insured thereunder.

(b) In addition to the requirements in Section 15 of the SACOG Agreement, or in place of those requirements, the Contractor shall provide the following insurance coverages: *No further requirements at this time*

6. If applicable, insert any other special terms and conditions not inconsistent with the SACOG Agreement. *None at this time.*

7. Project Manager:

The Participating Agency's project manager for this Agreement is Maria Harris, Human Resources/Admin Services Manager, unless Participating Agency otherwise informs Contractor. Any notice, report, or other communication required by this Agreement shall be mailed by first-class mail to the Participating Agency Project Manager at the following address:

*Maria Harris. Human Resources/Admin Services Manager
El Dorado County Transit Authority
6565 Commerce Way
Diamond Springs, CA 95619*

Contractor's project manager for this Agreement is Georg Krammer. No substitution of Contractor's project manager is permitted without the prior written agreement of Participating Agency; which agreement shall not be unreasonably withheld. Communication to Contractor required by this Agreement shall be mailed by first-class mail to:

Georg Krammer, CEO
Koff & Associates
2835 7th St
Berkeley, CA 94710

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date first above written.

PARTICIPATING AGENCY:

Maria Harris, Human Resources/Admin Services Manager

KOFF & ASSOCIATES, INC.:

GEORG KRAMMER
Chief Executive Officer

EXHIBIT “A-1”

SCOPE OF SERVICES

I. BACKGROUND

The El Dorado County Transit Authority (El Dorado Transit) requires services for conducting a comprehensive compensation and benefit study of its administrative, professional, support & technical, clerical non-bargaining and bargaining positions including a review of salary ranges and benefit package. Currently the agency has one union group.

El Dorado Transit currently employs approximately twenty-four (24) full-time non-represented employees under sixteen (16) job titles in 3 departments and forty-four (44) represented employees under one (1) job title in 1 department.

II. PROJECT SUMMARY AND DESCRIPTION

The Consultant will work under direction of the Participating Agency’s Executive Director and management team. Funding for the Consultant services will be provided by Participating Agency utilizing local funding sources. The Sub-Agreement will be awarded/executed under Board adopted purchasing procedures or contract law.

The overall objective of the Classification and Compensation Study is to align job descriptions with the current roles and responsibilities of classified employees and conduct a market analysis of compensation in similar or like jobs in other transit agencies.

The goal of El Dorado Transit is to update our current job descriptions, compete with comparable transit agencies, offer fair wages for services and recruit/train/retain and support a motivated, capable and diverse workforce. The following are specific objectives for the study:

1. Conduct a thorough job analysis of all classified positions
2. Develop and/or update class specifications for all classifications including the following elements:
 - Position Title
 - Definition
 - Distinguishing Characteristics
 - Essential Functions
 - Minimum Qualifications including knowledge, skills and abilities
 - Desirable Qualifications
 - Working Conditions including work environment and physical abilities in accordance with accepted ADA requirements
3. Conduct a total compensation salary survey of comparable transit agencies
4. Develop a manual detailing the methodology of the study and providing guidance to staff in implementing the system.

III. ACTUAL SERVICES TO BE PROVIDED

CLASSIFICATION STUDY

Task A. Initial documentation review/meetings with study project team staff

- Meet with designated management staff member to validate scope of services, methodology, timelines and other deliverables.
- Define the process for communication with management and other employees during each step of the study. Meet with, and present information to, employees and Board of Directors.
- Review organizational charts, budgets, personnel policies, memorandums of understanding, and related information as necessary

Task B. Orientation meetings with employees and distribution of Position Description Questionnaire

- Design an appropriate Position Description Questionnaire (PDQ) to be discussed with the Project Team and customized as needed to meet the study objectives prior to distribution to classified employees and their supervisors.
- The Consultant will facilitate orientation meetings with employees (within the same time frame as the initial project kick-off meeting) and distribute the PDQ to start the classification portion of the study.
- The Consultant will discuss the importance of the employees' involvement in the study and their participation in PDQ completion and job analysis interviews. Project processes will be explained, expectations will be clarified, and elements that are not a part of the study will also be covered. Questions will be answered and a detailed explanation and examples for completing the PDQ will be given.

Task C. Position Description Questionnaire completion and review

- Consultant will provide employees in the same classification the option of collaborating on completing a PDQ together, if the employees so choose. At the same time, the Consultant will invite employee to complete an individual PDQ if they prefer and if they want to be interviewed separately.
- The Consultant will provide an email version of the PDQ so that employees can more easily complete it; however, if there are employees who want to complete a hardcopy manually, that will be provided as well.
- Employees will complete the questionnaire and send it to their supervisor/manager for review, comment and signature.
- Upon receipt of completed questionnaires, Consultant will review and analyze detail along with other documentation.

Task D. Employee/supervisor/management interviews

- Consultant will conduct interviews with a representative group of employees in each classification. Consultant may employ the following approach and interview.
 - All employees in single-position classifications;
 - An adequate sampling of employees in multiple-position classification; and
 - Any employee who requests an interview
- Consultant will offer employees the option to be interviewed in a focus group session with incumbents in the same classification or to request an individual interview if they prefer. Consultant will recommend individual interviews only if the employee wants to discuss certain issues (e.g., out of class responsibilities, etc.) in privacy with the consultant. However, for smaller efforts, especially when it comes to position reallocation studies, where often only one and perhaps a few positions are studied, all incumbents will be interviewed.
- Interview will then be held with appropriate supervisor and management staff to confirm content accuracy and resolve inconsistencies regarding roles, tasks, scope and supervisory responsibilities.
- Supervisors and Managers will also be interviewed to clarify their own responsibilities and confirm the information received in the interviews from their staff.
- Conduct follow-up interviews as necessary for clarification of information collected.

Task E. Classification concept/preliminary allocation development

- Consultant's job evaluation will result in a classification plan concept and employee allocation document that will be submitted to the agency for review and approval. Consultant will compare changes in business need and operations, as well as any reorganization, with the established classification system and job families, as well as review internal relationships between classifications.

Consultant's job analysis method is the whole position analysis approach. Objective factors in the whole position classification methodology include:

- Education, Training, and Certifications/Licenses
- Experience
- Problem Solving/Ingenuity
- Attention/Stress (Concentration/Time Pressure & Interruptions)
- Independence of Action/Responsibility
- Contacts with Others/Internal/External
- Supervision Received and/or Given to Others
- Consequences of Action/Decisions Made on the Job
- Working Conditions
- Physical/Mental Demands

Attachment A

- Consultant's analysis will include written documentation of our assessment methodology and assessment for each position surveyed.
- This deliverable will list broad class concepts and highlight where significant changes may be recommended, such as expanding or collapsing class series in the same functional area and/or separating or combining classifications assigned to different functional areas. Consultant will review and analyze current classification series, the number of classifications and classification levels. Consultant will also review and update established titling guidelines for the studied classifications for appropriate and consistent titling.

Task F. Draft class description development and update

- After preliminary approval of the class concepts and allocation lists, new and/or updated class descriptions will be developed for each proposed classification, following the format approved by the Participating Agency.
- From the review of the PDQs and employee interviews, Consultant will update duties, responsibilities, and minimum qualifications of each class specification, as necessary, or develop new class specifications if duties, responsibilities, and minimum qualifications have changed significantly. Consultant will recommend new classifications/class levels, and/or operational changes, business needs, and any reorganization requiring new classifications.
- Consultant will review, analyze, and update, as appropriate, knowledge, skills, abilities, education and experience, relevance and hierarchical consistency, position definitions, purpose, distinguishing characteristics, supervision received and exercised, position functions and special requirements including licensing and certification requirements.
- Consultant will also review and update the physical demands based on the essential job functions of each classification in accordance with the Americans with Disabilities Act (ADA).
- Accurately assess the current roles and responsibilities of the incumbents in each classification. Determine whether the duties performed by each incumbent are within the scope of the assigned classification.
- Consultant will review each studied classification's essential job functions and determine exempt vs. non-exempt status in accordance with "white collar" exemptions under the Fair Labor Standards Act (FLSA).

Task G. Draft class description review and informal appeal process

- A draft copy of the revised/new class description with allocation recommendation will be submitted to the Project Team and subsequently to each manager, supervisor, and employee, to give each stakeholder group an opportunity to provide comments and concerns regarding any modifications to the classification structure and specifications.
- Each employee whose position was studied will receive a memorandum from us outlining what has been accomplished, how to best review the draft classification specification that will be attached, and how to provide feedback to us. Supervisors and managers receive a copy of their employees' draft class descriptions and will be asked to review their employees' comments and feedback to verify and concur with the information provided.

Attachment A

- Employees shall submit their written concerns (via their supervisor/manager) to the Project Manager who will forward to the Consultant. While employees may not always agree with our recommendations, they have a “second chance” to ensure that they have been heard and to continue the educational process regarding why specific recommendations were made.
- Significant employee comments will be reviewed with management prior to making any significant changes to the proposed class plan. These discussions will be by email, telephone, or additional direct personal contact with employees, depending upon the extent of the response.
- Class description changes will be made as required and the class specifications will be finalized and submitted for approval. All employees who submitted their comments during the review process will be notified in writing regarding the outcome of their concerns.

Task H. Finalize classification plan and draft interim report/final report

- A Draft Interim Report of the Classification Study will be completed and submitted to the agency for review and comment.

The report will contain:

- Classification recommendations for each studied position, including documentation regarding study goals and objectives, classification methodology, approach, and process as well as all findings, analysis, and resulting recommendations; and
 - Classification concepts and guidelines, occupational groups of classifications as well as distinguishing characteristics and other pertinent information for implementation and continued maintenance of the recommendations will be detailed.
- Once the Consultant has received the Participating Agency’s comments regarding the Draft Interim Report and has made any necessary changes, a Final Classification Report will be developed.

COMPENSATION STUDY

Task A. Identify/confirm comparator agencies, benchmark classifications, and benefits to be collected

- Consultant will discuss the compensation study factors with the Project Team during the initial meeting for the classification study.
- Consultant will identify/confirm appropriate comparator agencies that will be included in the external market survey which will be the foundation of ensuring that the Participating Agency’s salaries for the studied classification are competitively aligned with the external labor market.
- Consultant will also identify those classifications that will be surveyed in the market (i.e., benchmark classifications), with the intention of internally aligning the remaining classification with those that were surveyed.
- The Consultant will determine the list of benefits that the Participating Agency wants to include in the total compensation data gathering process.

Task B. Determination/confirmation of comparator agencies

- Consultant will use the following factors to identify appropriate comparators and receive approval from Project Team and Participating Agency's Board of Directors before proceeding with the compensation data analysis. The factors Consultant will review when selecting and recommending appropriate comparator agencies include.
 - Organizational type and structure
 - Similarity of population served, agency demographics, agency staff, and operation and capital improvement budgets.
 - Scope of services provided
 - Labor Market
 - Cost of Living
- It is recommended to use ten to twelve (10-12) comparator agencies to be used for all classifications.

Task C. Determine benchmark classifications

- The classes to be surveyed shall be agreed upon by all parties prior to commencement of the data-gathering process.
- Consultant will collaborate with the Participating Agency to select the appropriate number of benchmarks.

Task D. Determination of salary and benefits data to be collected

- In addition to base salaries, benefits data elements for total compensation study shall include the following:
 - Monthly Salary
 - Employee Retirement
 - Medical, Dental and Vision Insurance
 - Life Insurance and Long-Term Disability
 - Leave – including Vacation, Holiday, Management Leave
 - Deferred Compensation
 - Retiree Health
 - Other – including education benefits, longevity pay, uniform allowance, on-call pay, shift differential

Task E. Data collection

- Consultant shall conduct all of the data collection and analysis to ensure validity of the data and quality control.
- Consultant shall compare job description to job description and not just job titles therefore ensuring true “matches” of at least 70%, which is the percentage used to determine whether to include a comparator classification or not.
- Consultant's analysis will include written documentation of the assessment methodology and assessment for each position surveyed.

Attachment A

- Consultant will make preliminary “matches” and then schedule appointments by telephone, and sometimes in person with knowledgeable individuals to answer specific questions.

Task F. Analysis and preliminary data review

- Data will be entered into spreadsheet format designed for ease of interpretation and use,
- The information will be presented in a format that will identify comparator positions used for each classification comparison.
- Information will be calculated based upon both average and median figures allowing the Participating Agency to make informed compensation decisions.
- Consultant will include any type of statistical representation and analysis that the Participating Agency desires such as 60th, 70th or any other percentiles.
- Benefits will be displayed in an easy-to-read format.
- Participating Agency will receive three sets of spreadsheets per classification, one with base pay, one with the benefits details and one with total compensation statistical data.
- Other benefits will be reported on a separate spreadsheet, if requested.

Task G. Draft compensation findings/additional analysis/study and Project Team Meetings

- Consultant will distribute findings to the Participating Agency and meet with Project Team to clarify data, receive requests for re-analysis of certain comparators, and to answer questions and address concerns.
- If questions arise, Consultant will conduct follow-up analysis to reconfirm its original findings and/or make corrections as appropriate.

Task H. Internal relationship analysis and internal alignment

- Consultant shall use the whole position analysis methodology to develop an internal position hierarchy based on the organizational value of each classification
- Consultant will make recommendations regarding vertical salary differentials between classes in a class series, as well as across departments and integrated with the results of the compensation survey.
- Consultant will create a sound and logical compensation structure for the various levels within each class series.

Task I. Compensation Structure and Implementation Plan Development

- Consultant will review and make recommendations regarding alignment and the salary structure within which the classes are allocated (set of salary ranges, salary differentials, steps within ranges, control points and/or other alternative compensation plans, if desired)
- Consultant will develop recommendation for pay grades and salary ranges for all classifications based on median and/or mean salaries from the comparator agencies.
- Consultant will conduct competitive pay analysis using the market data gathered to assist in the determination of external pay equity issues, and the newly determined market conditions and develop solutions to address pay equity issues, analyze the financial impact of addressing pay equity issues and create a market adjustment implementation

strategy for supporting the agency's broader strategies, goals, objectives, and budget considerations.

- Consultant will evaluate the benefit offerings in the labor market and make recommendations for better alignment and/or differential benefit offering as indicated by the analysis and best practices.
- Draft recommendations will be discussed with the Project Team and agency Board of Directors prior to developing an Interim Report.

Task J. Preparation of draft final and final report and deliverables

- A Draft Interim Report of the Compensation Study will be completed and submitted to the Participating Agency for review and comment. The report will provide:
 - Detailed compensation findings, documentation, and recommendations;
 - A set of all market data spreadsheets;
 - A proposed Salary Range document;
 - Policies and procedures to address employees whose base pay exceeds the maximum of a newly assigned pay range;
 - A manual of instructions regarding the administration of the proposed compensation system; discussion of how the compensation program impacts employee recruitment and retention efforts;
 - Implementation issues and cost projections surrounding our recommendations; and
 - A guide for rules, policies and procedures for the Participating Agency in implementing, managing and maintaining the compensation system.

IV. TENTATIVE TIMETABLE

March 8, 2017Issue Contract
April 7, 2017Kick-Off Meeting
April 17, 2017
April 24, 2017
May 4, 2017
May 15, 2017
To Be Determined.....Project Completion

V. PAYMENT SCHEDULE

Fees for eligible services rendered shall be billed on a monthly or hourly basis. Payment will not be authorized for services rendered and/or expenses incurred prior to contract award. The Consultant should forward a copy of all invoices for payment for work performed and associated expenses, by the fifth (5th) day of each month for prior month's service.

Exhibit "A-2"

Contract # 16170008
Funding: Interagency Non-Federal

**SACRAMENTO AREA COUNCIL OF GOVERNMENTS
STANDARD AGREEMENT**

THIS AGREEMENT, is made and entered into this **21st** day of **September, 2016**, at Sacramento, California, by and between the Sacramento Area Council of Governments, a joint powers agency (hereinafter "SACOG"), through its duly appointed Chief Executive Officer, and **KOFF & ASSOCIATES, INC.**, a California Corporation (hereinafter "Contractor").

RECITALS:

1. Contractor represents that it is specially trained and/or has the experience and expertise necessary to competently perform the services set forth in this Agreement; and
2. Contractor is willing to perform the services and work described in this Agreement under the terms and conditions set forth in this Agreement; and
3. SACOG desires to contract with Contractor to perform the services and work described in this Agreement under the terms and conditions set forth in this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. Time of Performance; Option to Renew: Contractor shall commence work upon execution of this Agreement and in accordance with the Scope of Work, attached hereto as **Exhibit A** and incorporated herein. Contractor shall complete work as expeditiously as is consistent with generally accepted standards of professional skill and care and the orderly progress of work. Work shall be completed and this Agreement shall expire on the date that is **three (3) years** after the date first written above, unless otherwise terminated as provided for in this Agreement or extended by written agreement between the parties. In addition to the original three-year term, SACOG shall have two options to renew this Agreement, each for a period of one year, by giving written notice of renewal to Contractor no later than 30 days prior to the then-current expiration date of the Agreement. Whether to exercise these options is within SACOG's sole discretion.

2. Scope of Work: Contractor agrees to fully perform the work described in **Exhibit A - Available Services**, as requested through any executed Sub-Agreement (**Exhibit E**). Copies of any executed Sub-Agreement shall be provided to SACOG by Contractor within ten (10) days of execution. In the event of any inconsistency between **Exhibit A** and other terms and conditions of this Agreement, including an executed Sub-Agreement, **Exhibit A** shall control. SACOG reserves the right to review and approve all work to be performed by Contractor in relation to this Agreement. Any proposed amendment to the **Exhibit A** must be submitted by Contractor in writing for prior review and approval by SACOG's Chief Executive Officer, and shall have no impact on the terms and conditions of a previously executed Sub-Agreement. Approval shall not be presumed unless such approval is made by SACOG in writing.

3. Standard of Quality: All work performed by Contractor under this Agreement shall be in accordance with all applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Contractor's field of expertise.

4. Compliance with Laws: Contractor shall comply with all applicable Federal, State, and local laws, codes, ordinances, regulations, orders and decrees. Contractor warrants and represents to SACOG that Contractor shall, at its own cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance and approvals that are legally required for Contractor to practice its profession or are necessary and incident to the performance of the services and work Contractor performs under this Agreement. Contractor shall provide written proof of such licenses, permits, insurance and approvals upon request by SACOG. SACOG is not responsible or liable for Contractor's failure to comply with any or all of the requirements contained in this paragraph.

5. Consideration: Payment to Contractor by any Participating Agency (as identified in **Exhibit A**) that is a party to a Sub-Agreement shall be made as set forth in the executed Sub-Agreement between the Participating Agency and Contractor, provided that the hourly rates charged to Participating Agencies may not exceed the rates set forth in **Exhibit B** attached hereto. In no instance shall the Participating Agency be liable for any payments or costs for work in excess of the amount set forth in the Sub-Agreement, nor for any unauthorized or ineligible costs. Contractor shall be paid at the times and in the manner set forth in this Sub-Agreement. The consideration to be paid Contractor, as provided in the Sub-Agreement, shall be in compensation for all of Contractor's expenses incurred in the performance of work under this Agreement, including travel and per diem, unless otherwise expressly so provided.

6. Invoicing, Costs and Payment:

- a. Contractor shall submit monthly invoices in arrears to each Participating Agency that is a party to a Sub-Agreement no later than the 15th of each month and in accordance with the Scope of Work attached to the executed Sub-Agreement. Each invoice shall meet the following requirements: (i) be prepared on Contractor's letterhead; (ii) signed by Contractor's Project Manager; (iii) contain a unique invoice number; (iv) attach appropriate documentation; (v) invoice each milestone separately; and (vi) if subcontractors are used, include a separate invoice for each subcontractor in the required format and include a summary of all subcontractors' invoices. Contractor shall submit written invoices by mail in *triplicate* to each Participating Agency. Contractor shall be notified within fifteen (15) working days following receipt of its invoice by the Participating Agency of any circumstances or data identified by the Participating Agency in Contractor's written billing which would cause withholding of approval and subsequent payment. Contractor shall be paid within thirty (30) days after the Participating Agency's approval of each billing; however, the Participating Agency, at its own discretion, may withhold at least ten percent (10%) of each invoice until the successful completion of the scope of work and the delivery and acceptance by the Participating Agency of all final products. Said invoices shall indicate the number of hours worked by each of Contractor's personnel and reimbursable costs incurred to the date of such billing since the date of the preceding billing, if

any. The invoices shall include documentation of reimbursable expenses and other invoiced items sufficient for the Participating Agency, in its opinion, to substantiate billings. The Participating Agency reserves the right to withhold payment of disputed amounts.

- b. Contractor shall comply with, and shall require its subcontractors to comply with, the requirements for the Participating Agency's policies for employee travel and subsistence (per diem) expenses, unless otherwise provided in the Sub-Agreement between the parties.

7. Independent Contractor: Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act as and be independent contractors and not officers or employees or agents of SACOG or the Participating Agencies. Contractor, its officers, employees, agents, and subcontractors, if any, shall have no power to bind or commit SACOG to any decision or course of action, and shall not represent to any person or business that they have such power. Contractor has and shall retain the right to exercise full control of the supervision of the services and work and over the employment, direction, compensation and discharge of all persons assisting Contractor in the performance of services under this Agreement. Contractor shall be solely responsible for all matters relating to the payment of its employees including, but not limited to, compliance with social security and income tax withholding, workers' compensation insurance and all regulations governing such matters.

8. Termination:

- a. SACOG and the Participating Agencies shall have the right to terminate this Agreement for any reason, with or without cause, at any time, by giving Contractor fifteen (15) days written notice. The notice shall be deemed served and effective for all purposes on the date it is deposited in the U.S. mail, certified, return receipt requested, addressed to Contractor at the address indicated in Section 17.
- b. If SACOG or a Participating Agency issues a notice of termination:
 - (1) Contractor shall immediately cease rendering services pursuant to this Agreement.
 - (2) Contractor shall deliver to the Participating Agency copies of all Writings, whether or not completed, which were prepared by Contractor, its employees or its subcontractors, if any, pursuant to this Agreement. The term "Writings" shall include, but not be limited to, handwriting, typesetting, computer files and records, drawings, blueprints, printing, photostatting, photographs, and every other means of recording upon any tangible thing, any form of communication or representation, including, letters, works, pictures, sounds, symbols computer data, or combinations thereof.
 - (3) The Participating Agency shall pay Contractor for work actually performed up to the effective date of the notice of termination, subject to

the limitations in Section 5, less any compensation to the Participating Agency for damages suffered as a result of Contractor's failure to comply with the terms of this Agreement. Such payment shall be in accordance with Section 6. However, if this Agreement is terminated because the work of Contractor does not meet the terms or standards specified in this Agreement, then the Participating Agency shall be obligated to compensate Contractor only for that portion of Contractor's services which is of benefit to the Participating Agency.

9. Assignment: The parties understand that SACOG entered into this Agreement based on the professional expertise and reputation of Contractor. Therefore, without the prior express written consent of SACOG, this Agreement is not assignable by Contractor either in whole or in part.

10. Binding Agreement: This Agreement shall be binding on the parties hereto, their assigns, successors, administrators, executors, and other representatives, including the Participating Agencies.

11. Time: Time is of the essence in this Agreement.

12. Amendments: No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein, shall be binding on any of the parties hereto.

13. Contractors and Subcontractors: Contractor shall not subcontract any portion of the work without the prior express written authorization of SACOG. If SACOG consents to a subcontract, Contractor shall be fully responsible for all work performed by the subcontractor.

- a. SACOG reserves the right to review and approve any contract or agreement to be funded in whole or in part using funds provided under this Agreement.
- b. Any contract or sub-contract shall require the contractor and its subcontractors, if any, to:
 - (1) Comply with applicable State and Federal laws that pertain to, among other things, labor standards, Non-Discrimination, the Americans with Disabilities Act, Equal Employment Opportunity, and the Drug-Free Workplace Act.
 - (2) Maintain at least the minimum State-required Workers' Compensation Insurance for those employees who will perform the work or any part of it.

- (3) Maintain unemployment insurance and disability insurance as required by law, along with liability insurance in an amount to be determined by SACOG that is reasonable to compensate any person, firm, or corporation who may be injured or damaged by Contractor or any subcontractor in performing work associated with this Agreement or any part of it.
- (4) Retain all books, records, computer records, accounts, documentation, and all other materials pertaining to the performance of this Agreement for a period of three (3) years from the date of termination of this Agreement, or three (3) years from the conclusion or resolution of any and all audits or litigation relevant to this Agreement and any amendments, whichever is later.
- (5) Permit SACOG and/or its representatives, upon reasonable notice, unrestricted access to any or all books, records, computer records, accounts, documentation, and all other materials pertaining to the performance of this Agreement for the purpose of monitoring, auditing, or otherwise examining said materials.

14. Indemnity: Contractor specifically agrees to indemnify, defend, and hold harmless SACOG, its directors, officers, members, agents, and employees, and the Participating Agencies (collectively the "Indemnitees") from and against any and all actions, claims, demands, losses, costs, expenses, including reasonable attorneys' fees and costs, damages, and liabilities (collectively "Losses") arising out of or in any way connected with the performance of this Agreement, including any Sub-Agreement, excepting only Losses caused by the sole, active negligence or willful misconduct of an Indemnitee. Contractor shall pay all costs and expenses that may be incurred by SACOG or a Participating Agency in enforcing this indemnity, including reasonable attorneys' fees. The provisions of this Section shall survive the expiration, termination, or assignment of this Agreement.

15. Insurance Requirements: Contractor hereby warrants that it carries and shall maintain, at its sole cost and expense, in full force and effect during the full term of this Agreement and any extensions to this Agreement, the following described insurance coverage:

POLICY	MINIMUM LIMITS OF LIABILITY
(1) Workers' Compensation; Employer's Liability.	Statutory requirements for Workers' Compensation; \$ 1,000,000 Employers' Liability.
(2) Comprehensive Automobile: Insurance Services Office, form #CA 0001 (Ed 1/87) covering Automobile Liability, code 1 (any auto).	Bodily Injury/Property Damage \$1,000,000 each accident.
(3) General Liability: Insurance Services Office Commercial General Liability	\$1,000,000 per occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit, such limit shall apply

coverage (occurrence form #CG 0001).	separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
(4) Errors and Omissions/Professional Liability (errors and omissions liability insurance appropriate to the Contractor's profession as defined by SACOG).	\$1,000,000 per claim.

- a. Deductibles and Self-insured Retentions: Any deductibles or self-insured retentions in excess of \$5,000 must be declared to and approved by SACOG.
- b. Required Provisions: The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:
 - (1) For any claims related to this Agreement, Contractor's insurance coverage shall be the primary insurance with respects SACOG, its directors, officers, employees and agents. Any insurance or self-insurance maintained by SACOG, its directors, officers, employees or agents shall be in excess of Contractor's insurance and shall not contribute to it.
 - (2) Any failure by Contractor to comply with reporting or other provisions of the policies including breaches of warrants shall not affect coverage provided to SACOG, its directors, officers, employees or agents.
 - (3) 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.
 - (4) Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested has been given to SACOG.
- c. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise approved by SACOG.
- d. Certificate of Insurance and Additional Insured Requirement: Contractor shall furnish to SACOG an original Certificate of Insurance on a standard ACORD form, or other form acceptable to SACOG, substantiating the required coverages and limits set forth above and also containing the following:
 - (1) Thirty (30) days prior written notice to SACOG of the cancellation, non-renewal or reduction in coverage of any policy listed on the Certificate; and

(2) The following statement with respect to the Commercial General Liability policy: "SACOG and its directors, officers, agents and employees, are made additional insureds, but only insofar as the operations under this Agreement are concerned."

- e. Certified Copies of Policies: Upon request by SACOG, Contractor shall immediately furnish a complete copy of any policy required hereunder, including all endorsements, with said copy certified by the insurance company to be a true and correct copy of the original policy.
- f. Contractor's Responsibility: Nothing herein shall be construed as limiting in any way the extent to which Contractor may be held responsible for damages resulting from Contractor's operations, acts, omissions, or negligence. Insurance coverage obtained in the minimum amounts specified above shall not relieve Contractor of liability in excess of such minimum coverage, nor shall it preclude SACOG from taking other actions available to it under this Agreement or by law including, but not limited to, actions pursuant to Contractor's indemnity obligations.

16. Audit, Retention and Inspection of Records:

- a. SACOG or its designee shall have the right to review, obtain, and copy all books, records, computer records, accounts, documentation and any other materials (collectively "Records") pertaining to performance of this Agreement, including any Records in the possession of any subcontractors, for the purpose of monitoring, auditing, or otherwise examining the Records. Contractor agrees to provide SACOG or its designee with any relevant information requested and shall permit SACOG or its designees access to its premises, upon reasonable notice, during normal business hours, for the purpose of interviewing employees and inspecting and copying such Records to determine compliance with any applicable Federal and State laws and regulations. Contractor further agrees to maintain such Records for a period of three (3) years after final payment under the Agreement or three (3) years from the conclusion or resolution of any and all audits or litigation to this Agreement and any amendments, whichever is later.
- b. If so directed by SACOG upon expiration of this Agreement, Contractor shall cause all Records relevant to the Scope of Work to be delivered to SACOG as depository.

17. Project Manager:

SACOG's Project Manager for this Agreement is Conor Peterson, unless SACOG otherwise informs Contractor. Any notice, report, or other communication required by this Agreement shall be mailed by first-class mail to the SACOG Project Manager at the following address:

Conor Peterson, Shared Services Analyst
Sacramento Area Council of Governments
1415 "L" Street, Suite 300
Sacramento, California, 95814
Telephone: (916) 340-6319
E-mail: cpeterson@sacog.org

Contractor's Project Manager for this Agreement is Georg Krammer. No substitution of Contractor's Project Manager is permitted without the prior written agreement of SACOG, which agreement shall not be unreasonably withheld. With the exception of notice pursuant to Section 8(a) above, any notice, report, or other communication to Contractor required by this Agreement shall be mailed by first-class mail to:

Berkeley ~~6400 Hollis St., Ste. 5~~ 2835 SEVENTH ST
Emeryville, CA 94608 94710
Telephone: (510) 658-5633
E-mail: gkrammer@koffassociates.com

18. Successors: This Agreement shall be binding on the parties hereto, their assigns, successors, administrators, executors, and other representatives.

19. Waivers: No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. The failure of SACOG to enforce at any time the provisions of this Agreement or to require at any time performance by Contractor of these provisions, shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of SACOG to enforce these provisions.

20. Litigation: Contractor shall notify SACOG and an affected Participating Agency immediately of any claim or action undertaken by it or against it that affects or may affect this Agreement or SACOG, and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of SACOG.

21. National Labor Relations Board Certification: Contractor, by signing this Agreement, does swear under penalty of perjury that no more than one final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court which orders Contractor to comply with an order of the National Labor Relations Board (Public Contract Code § 10296).

22. Americans with Disabilities Act (ADA) of 1990: By signing this Agreement, Contractor assures SACOG that it complies with the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. § 12101, *et seq.*), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA including, but not limited to, those found within the Code of Federal Regulations, Title 49, parts 27, 37, and 38.

23. Compliance with Non-Discrimination and Equal Employment Opportunity Laws:

It is SACOG's policy to comply with State and Federal laws and regulations including Title VI of the Civil Rights Act of 1964, Americans with Disabilities Act of 1990 (ADA) and other Federal discrimination laws and regulations (including 49 CFR Part 21 through Appendix C, 23 CFR part 200, 23 CFR part 230, 49 U.S.C. 5332, and the Title VI Assurance executed by California under 23 U.S.C. 324 and 29 U.S.C. 794), as well as the Unruh Civil Rights Act of 1959, the California Fair Employment and Housing Act, and other California State discrimination laws and regulations. SACOG does not discriminate on the basis of race, color, sex, creed, religious creed, national origin, age, marital status, ancestry, medical condition, disability (including HIV and AIDS), sexual orientation or gender identity in conducting its business. SACOG prohibits discrimination by its employees, contractors and consultants.

Contractor assures SACOG that it complies with, and that Contractor will require that its subcontractors comply with, the following non-discrimination and equal opportunity laws. Any failure by Contractor to comply with these provisions shall constitute a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy as SACOG may deem appropriate.

- a. Contractor and its subcontractors shall comply with all provisions prohibiting discrimination on the basis of race, color, or national origin of Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. §§ 2000d, *et seq.*, with U.S. D.O.T. regulations, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act", 49 C.F.R. Part 21, and with any applicable implementing Federal directives that may be issued.
- b. Contractor and its subcontractors shall comply with all applicable equal employment opportunity (EEO) provisions of 42 U.S.C. § 2000e, implementing Federal regulations, and any applicable implementing Federal directives that may be issued. Contractor and its subcontractors shall ensure that applicants and employees are treated fairly without regard to their race, color, creed, sex, disability, age, or national origin.
- c. Contractor and its subcontractors will not unlawfully discriminate, harass, or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religion, national origin, physical disability, mental disability, medical condition, age or marital status. Contractor and its subcontractors will ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment, including the improper denial of family and medical care leave and pregnancy disability leave. Contractor and its subcontractors will comply with all applicable Federal and State employment laws and regulations including, without limitation, the provisions of the California Fair Employment and Housing Act (Government Code § 12900, *et seq.*) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, § 7285.0, *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code §§ 12990 (a-f), set forth in Chapter 5 of Division

4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors will give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

- d. Contractor shall also comply with the Older Americans Act, as amended (42 U.S.C. 6101), prohibiting discrimination on the basis of age, Section 324 of Title 23 U.S.C., prohibiting discrimination based on gender, and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and 49 CFR part 27 regarding discrimination against individuals with disabilities.
- e. Contractor will include the provisions of this Section 23 in all contracts to perform work funded under this Agreement.

24. Drug-Free Certification: By signing this Agreement, Contractor hereby certifies under penalty of perjury under the laws of the State of California that Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code § 8350, *et seq.*) and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited, and specifying actions to be taken against employees for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
 - (1) The dangers of drug abuse in the workplace;
 - (2) The person's or the organization's policy of maintaining a drug-free workplace;
 - (3) Any available counseling, rehabilitation, and employee assistance programs; and
 - (4) Penalties that may be imposed upon employees for drug abuse violations.
- c. Every employee of Contractor who works under this Agreement shall:
 - (1) Receive a copy of Contractor's Drug-Free Workplace Policy Statement; and
 - (2) Agree to abide by the terms of Contractor's Statement as a condition of employment on this Agreement.

25. Union Organizing: By signing this Agreement, Contractor hereby acknowledges the applicability of Government Code § 16645 through § 16649 to this Agreement, excluding § 16645.2 and § 16645.7.

- a. Contractor will not assist, promote, or deter union organizing by employees performing work on this Agreement if such assistance, promotion, or deterrence contains a threat of reprisal or force, or a promise of benefit.
 - b. Contractor will not meet with employees or supervisors on SACOG or State property if the purpose of the meeting is to assist, promote, or deter union organizing, unless the property is equally available to the general public for meetings.
 - c. No funds received from SACOG under this Agreement shall be used to assist, promote, or deter union organizing.
26. Other Responsibilities:
- a. Conflicts of Interest: Contractor shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with SACOG's interest. During the term of this Agreement, Contractor shall not accept any employment or engage in any consulting work that would create a conflict of interest with SACOG or in any way compromise the services to be performed under this Agreement. Contractor shall immediately notify SACOG of any and all potential violations of this paragraph upon becoming aware of the potential violation.
 - b. Political Reform Act Compliance: Contractor is aware and acknowledges that certain contractors that perform work for governmental agencies are "consultants" under the Political Reform Act (the "Act") (Government Code § 81000, *et seq.*) and its implementing regulations (2 California Code of Regulations § 18110, *et seq.*). Contractor agrees that any of its officers or employees deemed to be "consultants" under the Act by SACOG, as provided for in the Conflict of Interest Code for SACOG or a Participating Agency, shall promptly file economic disclosure statements for the disclosure categories determined by SACOG or a Participating Agency, to be relevant to the work to be performed under this Agreement and shall comply with the disclosure and disqualification requirements of the Act, as required by law.
 - c. Campaign Contribution Disclosure. Contractor has complied with the campaign contribution disclosure provisions of the California Levine Act (Government Code § 84308) and has completed the Levine Act Disclosure Statement attached hereto as **Exhibit C**.
 - d. Covenant Against Contingent Fees: Contractor warrants that it has not employed or retained any company or person, other than a bona fide employee working for the Contractor, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage, fee, gift, or any other consideration, contingent upon or resulting from the award or formation of this Agreement. For breach or violation of this warranty, SACOG shall have the right to annul this

Agreement without liability, or at its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

27. Costs and Attorneys' Fees: If either party commences any legal action against the other party arising out of this Agreement or the performance thereof, the prevailing party in such action may recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and reasonable attorneys' fees.

28. Governing Law and Choice of Forum: This Agreement shall be administered and interpreted under California law as if written by both parties. Any litigation arising from this Agreement shall be brought in the Superior Court of Sacramento County.

29. Integration: This Agreement represents the entire understanding of SACOG and Contractor as to those matters contained herein and supersedes all prior negotiations, representations, or agreements, both written and oral. This Agreement may not be modified or altered except in accordance with Section 12.

30. Severability: If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law, unless the exclusion of such term or provision, or the application of such term or provision, would result in such a material change so as to cause completion of the obligations contemplated herein to be unreasonable.

31. Headings: The headings of the various sections of this Agreement are intended solely for convenience of reference and are not intended to explain, modify, or place any interpretation upon any of the provisions of this Agreement.

32. Authority: Each person signing this Agreement on behalf of a party hereby certifies, represents, and warrants that he or she has the authority to bind that party to the terms and conditions of this Agreement.

33. Ownership; Permission:

- a. Contractor agrees that all work products including, but not limited to, notes, designs, drawings, reports, memoranda, and all other tangible personal property produced in the performance of this Agreement, shall be the sole property of SACOG, provided that Contractor may retain file copies of said work products. Contractor shall provide said work products to SACOG upon request.
- b. Contractor represents and warrants that: (i) all materials used or work products produced in the performance of this Agreement, including, without limitation, all computer software materials and all written materials, are either owned by or

produced by Contractor or that all required permissions and license agreements have been obtained and paid for by Contractor; and (ii) SACOG is free to use, reuse, publish or otherwise deal with all such materials or work products except as otherwise specifically provided in **Exhibit A**. Consultant shall defend, indemnify and hold harmless SACOG and its directors, officers, employees, and agents from any claim, loss, damage, cost, liability, or expense to the extent of any violation or falsity of the foregoing representation and warranty.

34. Counterparts: This Contract may be signed in one or more counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument.

35. Prohibition of Expending State or Federal Funds for Lobbying:

a. Contractor certifies, to the best of his or her knowledge or belief, that:

- (1) No State or Federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of any State or Federal agency, a Member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress in connection with the awarding of any State or Federal contract, the making of any State or Federal grant, the making of any State or Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any State or Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or any employee of a Member of Congress in connection with this Agreement, the Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

b. This certification is a material representation of fact upon which reliance was placed when this Agreement was entered into. Submission of this certification is a prerequisite for making or entering into this Agreement imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

c. Contractor also agrees by signing this Agreement that he or she shall require that the language of this certification be included in all lower tier subcontracts, which exceed \$100,000, and that all such sub-recipients shall certify and disclose accordingly.

36. Payee Data Record Form: Contractor shall complete and submit the Payee Data Record form attached to this Agreement as **Exhibit D**, or an IRS W-9, as requested by the Participating Agency.


37. State Prevailing Wage Rates: If the Scope of Work is for a public works project pursuant to California Labor Code Section 1720, *et seq.*, including surveying work, then the following provisions apply:

- a. Contractor shall comply with the State of California's General Prevailing Wage Rate requirements in accordance with California Labor Code, Section 1770, and all State and local laws and ordinances applicable to the work.
- b. Any subcontract entered into as a result of this contract, if for more than \$25,000 for public works construction or more than \$15,000 for the alteration, demolition, repair, or maintenance of public works, shall contain all of the provisions of this Section.
- c. When prevailing wages apply to the services described in the Scope of Work, transportation and subsistence costs shall be reimbursed at the minimum rates set by the Department of Industrial Relations (DIR) as outlined in the applicable Prevailing Wage Determination. See <http://www.dir.ca.gov>.

(Signature Page to Follow)

IN WITNESS WHEREOF, THE PARTIES HAVE ENTERED INTO THIS
AGREEMENT AS OF THE DATE HEREIN ABOVE APPEARING:

SACRAMENTO AREA COUNCIL OF GOVERNMENTS



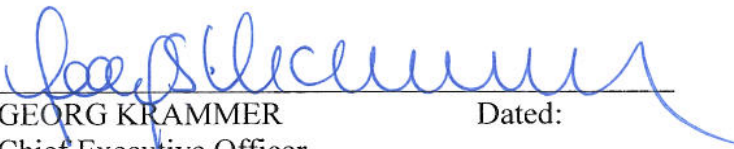
MIKE MCKEEVER Dated: 11/2/16
Chief Executive Officer

APPROVED AS TO FORM:



RENNE SLOAN HOLTZMAN SAKAI LLP
Legal Counsel to SACOG

KOFF & ASSOCIATES, INC.:



GEORG KRAMMER Dated:
Chief Executive Officer

EXHIBIT "A"

AVAILABLE SERVICES

I. Contractor's Relationship with Participating Agencies and SACOG

1.

Koff & Associates ("Contractor") will provide Human Resource Services as requested by any of the Participating Agencies identified in Section 2, below. Contractor will be the main point of contact for all Participating Agency locations. Contractor's corporate headquarters is located in Berkley and that is where all of the billing will take place. Contractor is a fully integrated Human Resource Service provider.

2.

Any of the following "Participating Agencies" may receive any of the available services set forth herein upon negotiation, execution and delivery of a Participating Agency Sub-Agreement with Contractor, substantially in the form of **Exhibit E** attached hereto:

City of Citrus Heights
City of Davis
City of Elk Grove
City of Galt
City of Lincoln
City of Live Oak
City of Placerville
City of Rocklin
City of Sacramento
City of West Sacramento
City of Winters
City of Woodland
City of Yuba City
County of El Dorado
County of Placer
County of Sacramento
County of Sutter
County of Yolo
County of Yuba
Sacramento Metropolitan Air Quality
Management District
Sacramento Area Council of
Governments

3.

Contractor shall, in good faith, negotiate, execute and deliver a Sub-Agreement with each of the public agencies listed in Section 1, above, substantially in the form of **Exhibit E Participating Agency Sub-Agreement** attached hereto, upon request. SACOG shall not be responsible for any Participating Agency's failure to execute a Sub-Agreement, or for the breach of any Sub-Agreement by a Participating Agency. Public agencies other than the Participating Agencies listed above may join this Agreement only upon prior written approval by SACOG and the Contractor. Following such approval, such public agencies shall be "Participating Agencies" for all purposes of this Agreement.

- a) Each Participating Agency Sub-Agreement will include a Scope of Work detailing the services to be provided to the Participating Agency. The Scope of Work provided by the Participating Agency cannot request services beyond those listed below in Section II. Contractor's Available Services.

II. Contractor's Available Services

This section of the proposal identifies the actual work plans/methodologies for **Classification and Compensation Studies, Classification Audits, and On-Call Human Resource Services**. Details of the step-by-step process per study may vary based on the Participating Agency's needs, but the core of methodology outlined below will apply to all classification and compensation efforts. The services to be provided under any Sub-Agreement with a Participating Agency are limited to the services outlined herein.

Fees for services delivered will be assessed to the Participating Agencies at the rates set forth in Exhibit B-1, attached hereto. The Contractor shall remit to SACOG an Administrative fee of \$2.00 for each hour of work performed under the contract, as set forth more fully in Exhibit B-1.

CLASSIFICATION STUDIES

Task A. Initial documentation review/meetings with study project team and management staff

This task includes identifying the Participating Agency's Study Project Team (Contracts Administrator, Human Resources Manager, other project stakeholders, etc.), and reporting relationships. Consultant's team will conduct an orientation and briefing session with the Study Project Team to explain process and methodology; create the specific work plan and work schedule; identify subsequent tasks to be accomplished; reaffirm the primary objectives and specific end products; determine deadline dates for satisfactory completion of the overall assignment; determine who will be responsible for coordinating/scheduling communications with employees, management, and any other stakeholders; and develop a timetable for conducting the same.

Included in this task is the gathering of written documentation, identifying current incumbents, and assembling current class descriptions, organizational charts, salary schedules, budgets,

personnel policies, previous classification and compensation studies, and any other relevant documentation to gain a general understanding of agency operations.

Participating Agency terminology and methods of current classification and compensation procedures, as well as the written questionnaire instrument for the classification study that is used in the job analysis phase will be reviewed and agreed to. Consultant and the Study Team will discuss methodology and agree to a class description as well as compensation format and identify/confirm appropriate comparator agencies, benchmark classifications, and benefits to be collected for compensation survey purposes, if a compensation study is included in the scope of work. Consultant will respond to questions.

Task B. Orientation meetings with employees and distribution of Position Description Questionnaire

The Position Description Questionnaire (PDQ) will be discussed with the Study Project Team and customized as needed to meet the study objectives prior to distributing copies to employees. The Consultant will facilitate orientation meetings with employees (within the same time frame as the initial project kick-off meeting) and distribute the PDQ to start the classification portion of the study. While these meetings are not mandatory, they form the beginning of the educational process that continues throughout the study. The Consultant will discuss the importance of the employees' involvement in the study and their participation in PDQ completion and job analysis interviews. Project processes will be explained, expectations will be clarified, and elements that are not a part of the study will also be covered. Questions will be answered and a detailed explanation and examples for completing the PDQ will be given.

PDQs shall be handed out with the incumbent's current class description attached to the questionnaire so employees can use this as a tool for completing the questionnaire.

Task C. Position description questionnaire completion and review

For larger studies, we recommend giving employees in the same classification the option of collaborating on completing a PDQ together, if the employees so choose. At the same time, the Consultant will invite employees to complete an individual PDQ if they prefer and if they want to be interviewed separately.

The Consultant will provide an email version of the PDQ so that employees can more easily complete it; however, if there are employees who want to complete a hardcopy manually, we can provide for that as well. Employees will complete the questionnaire and then send it to their supervisor/manager for review, comment, and signature.

Upon receipt of the PDQs in Consultant's office, they will be reviewed and analyzed in detail along with other documentation.

Task D. Employee/Supervisor/Management Interviews

Interviews will be scheduled with employees. Because this is a critical step in the information-gathering and educational process, Consultant will interview at least a representative sample of

employees in each classification. Typically, Consultant will employ the following approach and interview:

- All employees in single-position classifications;
- An adequate sampling of employees in multiple-position classifications; and
- Any employee who requests an interview.

Consultant will offer employees the option to be interviewed in a focus group session with incumbents in the same classification or to request an individual interview if they prefer. Consultant will recommend individual interviews only if the employee wants to discuss certain issues (e.g., out of class responsibilities, etc.) in privacy with the consultant. However, for smaller efforts, especially when it comes to position reallocation studies, where often only one and perhaps a few positions are studied, all incumbents will be interviewed.

Interviews will then be held with supervisory and management staff (division managers, department heads, etc.), who will clarify their own responsibilities (if they are included in the study) and/or confirm the information we have received in the interviews with their staff (we allow more time for these interviews).

The purpose of the interviews is to clarify and supplement the questionnaire data and to respond to potential perception differences regarding roles, tasks, scope, and supervisory responsibilities.

The appropriateness of the following will be assessed:

- Work being completed and relationships of positions to each other within a division/department as well as across the organization.
- Classification structure and reporting structure. □

Task E. Classification Concept/Preliminary Allocation Development

Consultant's job evaluation will result in a classification plan concept and employee allocation document that will be submitted to the agency for review and approval. Consultant will compare changes in business need and operations, as well as any reorganizations, with the established classification system and job families, as well as review internal relationships between classifications.

Consultant's job analysis method is the whole position analysis approach. Objective factors in the whole position classification methodology include:

1. Education, Training, and Certifications/Licenses
2. Experience
3. Problem Solving/Ingenuity □
4. Attention/Stress (Concentration/Time Pressure & Interruptions) □
5. Independence of Action/Responsibility

6. Contacts with Others/Internal/External ☐
7. Supervision Received and/or Given to Others ☐
8. Consequences of Action/Decisions Made on the Job ☐
9. Working Conditions ☐
10. Physical/Mental Demands ☐

Consultant's analysis will include written documentation of our assessment methodology and assessment for each position surveyed.

This deliverable will list broad class concepts and highlight where significant changes may be recommended, such as expanding or collapsing class series in the same functional area and/or separating or combining classifications assigned to different functional areas. Consultant will review and analyze current classification series, the number of classifications and classification levels, and career ladders. We will also review and update established titling guidelines for the studied classifications for appropriate and consistent titling.

A detailed, incumbent-specific allocation list for each position included in the study will be prepared, specifying current and proposed classification title and the impact of Consultant's recommendations (re- classification – upgrade or downgrade, title change, or no change). After this process is complete, a meeting will be arranged to review any recommended changes to the classification plan with the Study Project Team.

Task F. Draft class description development and update

After preliminary approval of the class concepts and allocation lists, new and/or updated class descriptions will be developed for each proposed classification, following the format approved by the Participating Agency.

From the review of the PDQs and employee interviews, Consultant will update duties, responsibilities, and minimum qualifications of each class specification, as necessary, or develop new class specifications if duties, responsibilities, and minimum qualifications have changed significantly. Consultant will recommend new classifications/class levels, and/or operational changes, business needs, and any reorganizations requiring new classifications.

Consultant will review, analyze, and update, as appropriate, knowledge, skills, abilities, education and experience, relevance and hierarchical consistency, position definitions, purpose, distinguishing characteristics, supervision received and exercised, position functions and special requirements including licensing and certification requirements.

Consultant will also review and update the physical demands based on the essential job functions of each classification in accordance with the Americans with Disabilities Act (ADA).

Finally, Consultant will review each studied classification's essential job functions and determine exempt vs. non- exempt status in accordance with "white collar" exemptions under the Fair Labor Standards Act (FLSA).

Task G. Draft class description review and informal appeal process

A draft copy of the revised/new class description with allocation recommendation will be submitted to the Project Team and subsequently to each manager, supervisor, and employee, to give each stakeholder group an opportunity to provide comments and concerns regarding any modifications to the classification structure and specifications. Consultant's experience has been that this is one of the most critical phases of the project (but also one of the most time-consuming). Our proactive and effective communication process at this crossroad has always avoided formal appeals, adversarial meetings, or major conflicts at the conclusion of our studies.

Each employee whose position was studied will receive a memorandum from us outlining what has been accomplished, how to best review the draft classification specification that will be attached, and how to provide feedback to us. Supervisors and managers receive a copy of their employees' draft class descriptions and will be asked to review their employees' comments and feedback to verify and concur with the information provided.

Employees shall submit their written concerns (via their supervisor/manager) to our office. While employees may not always agree with our recommendations, they have a "second chance" to ensure that they have been heard and to continue the educational process regarding why specific recommendations were made.

Significant employee comments will be reviewed with management prior to making any significant changes to the proposed class plan. These discussions will be by email, telephone, or additional direct personal contact with employees, depending upon the extent of the response. Class description changes will be made as required and the class specifications will be finalized and submitted for approval. All employees who submitted their comments during the review process will be notified in writing regarding the outcome of their concerns.

Task H. Finalize classification plan and draft interim report/final report

A Draft Interim Report of the Classification Study will be completed and submitted to the agency for review and comment. The report will contain:

- Classification recommendations for each studied position, including documentation regarding study goals and objectives, classification methodology, approach, and process as well as all findings, analysis, and resulting recommendations; and □
- Classification concepts and guidelines, occupational groups of classifications as well as distinguishing characteristics and other pertinent information for implementation and continued maintenance of the recommendations will be detailed. □

Once the Consultant has received the Participating Agency's comments regarding the Draft Interim Report and has made any necessary changes, a Final Classification Report will be developed. □

COMPENSATION STUDIES

Task A. Identify/confirm comparator agencies, benchmark classifications, and benefits to be collected

During the initial meeting with the Study Project Team for the classification study (if part of the scope of work) – or at a separate compensation study kick-off meeting, we will discuss the compensation study factors that need to be agreed upon. Consultant will identify/confirm appropriate comparator agencies that will be included in the external market survey which will be the foundation of ensuring that the Participating Agency's salaries for the studied classifications are competitively aligned with the external labor market. □

Consultant will also identify those classifications that will be surveyed in the market (i.e., benchmark classifications), with the intention of internally aligning the remaining classifications with those that were surveyed.

Finally, Consultant will determine the list of benefits that the Participating Agency wants to include in the total compensation data gathering process should the compensation study be a Total Compensation Study. □

1. Determination/Confirmation of Comparator Agencies

The selection of comparator agencies is considered a critical step in the study process. Consultant will use the following factors to identify appropriate comparators and receive approval before proceeding with the compensation data analysis. Consultant's recommended methodology is that we involve agency management and potentially the particular governing body (Board of Supervisors, City Council, Board of Directors, etc.), in the decision-making process of agreeing as to which agencies are included, **prior** to beginning the study. Our experience has shown that this is the most successful approach. The factors Consultant will review when selecting and recommending appropriate comparator agencies include:

- a. ***Organizational type and structure*** – While various organizations may provide overlapping services and employ some staff having similar duties and responsibilities, the role of each organization is somewhat unique, particularly in regard to its relationship to the citizens it serves and level of service expectation. Consultant will review the comparator agencies that the agency has been using historically and will make recommendations for changes, if any, as appropriate for each study.
- b. ***Similarity of population served, agency demographics, agency staff, and operational and capital improvement budgets*** – These elements provide guidelines in relation to resources required (staff and funding) and available for the provision of services. □
- c. ***Scope of services provided*** – While having an organization that provides all of the services at the same level of citizen expectation is ideal for comparators, as long as the *majority* of services are provided in a similar manner, sufficient data should be available for analysis. □

- d. **Labor market** – The reality of today’s labor market is that many agencies are in competition for the same pool of qualified employees. Individuals often do not live in the community they serve. Therefore, the geographic labor market area (where the agency may be recruiting from or losing employees to) will be taken into consideration when selecting potential comparator organizations. □
- e. **Cost of living** – The price of housing and other cost-of-living related issues are some of the biggest factors in determining labor markets. Consultant will review overall cost of living of various geographic areas, median house prices, and median household incomes to determine the appropriateness of various potential comparator agencies. □

Consultant typically recommend using ten to twelve (10-12) comparator agencies; however, we are flexible and are willing to use a different model if requested by the Participating Agency. Consultant prefers using the same set of agencies for all classifications in an agency but is aware that each agency we work with has unique and specialized type of classifications which it may also be appropriate to compare with special districts, major utilities or authorities such as transit, port, airports, sanitation, etc. □

2. Determination of Benchmark Classifications

In the same collaborative manner as described above in Step 1, the classes to be surveyed will be determined. Again, all parties prior to commencement of the data-gathering process should reach consensus.

“Benchmark classes” are normally chosen to reflect a broad spectrum of class levels. In addition, those that are selected normally include classes that are most likely to be found in other similar agencies, and therefore provide a sufficient valid sample for analysis. Internal relationships will be determined between the benchmarked and non-benchmarked classifications and internal equity alignments will be made for salary recommendation purposes.

Because the labor market typically yields reliable data, Consultant recommends using about 60-65% of all classifications as benchmarks, but is flexible and can use a different model. In reviewing the Participating Agency’s classifications, we would most likely survey the majority of them. Consultant will collaborate with the Participating Agency to select the appropriate number of benchmarks. For smaller studies, Consultant often surveys all studied classifications.

3. Determination of Salary and Benefits Data to Be Collected

In addition to base salaries, benefit data elements for a total compensation study normally include at least the following, which are generally available to all staff in a specific job classification:

- a. **Monthly Salary** – The top of the normal, published salary range. All figures are presented on a monthly or annual basis. We normalize the salary data to reflect working hours and/or “spiking” of retirement or other benefits. □

- b. **Employee Retirement** – This includes two figures: the amount of the employee’s State or other public or private retirement contribution that is contributed by the agency and the amount of the agency’s Social Security contribution. □
- c. **Retiree Healthcare** – With healthcare costs rising and retiree healthcare and liabilities increasing for many public agencies, we collect this type of information as well. □
- d. **Insurance** – This typically includes Health, Dental, Vision, Life, Long-Term Disability, Short- Term Disability, and other insurance coverage. □
- e. **Leave** – Other than sick leave, which is usage-based, leave is the amount of days off for which the organization is obligated. All days will be translated into direct salary costs.
 - i. **Vacation:** The number of vacation days available to all employees after five (5) years of employment.
 - ii. **Holidays:** The number of holidays (including floating) available to the employee on an annual basis. □
 - iii. **Administrative/Personal Leave:** Administrative leave is normally the number of days available to management staff to compensate for the lack of payment for overtime. Personal leave may be available to other groups of employees to augment vacation or other time off. □
- f. **Deferred Compensation** – This is any deferred compensation provided to all members of a classification, either as an employer-matching or as a dollar/percentage contribution. □
- g. **Other** – This category includes any other benefits that are available to all employees within a classification and not already specifically detailed. This may include incentive compensation for education, certifications, on-call or stand-by pay, shift differentials, and/or performance incentive compensation, including non-financial rewards. □

Task B. Data collection □

Consultant does not collect market compensation data by merely sending out a written questionnaire such questionnaires are often delegated to the individual in the department with the least experience in the organization and given a low priority. Consultant conducts all of the data collection and analysis to ensure validity of the data and quality control. This approach also ensures that Consultant compares job description to job description and not just job titles, therefore ensuring true “matches” of at least 70%, which is the percentage we use to determine whether to include a comparator classification or not. Our job analysis method is the whole position analysis approach [described above in the Classification phase of the study, Task E]. □

Consultant’s analysis will include written documentation of our assessment methodology and assessment for each position surveyed. We typically collect classification descriptions, organization charts, salary schedules, personnel policies, MOUs, and other information via website, by telephone, or by an onsite interview. □

With the prior knowledge from the data gathered directly from each comparator agency and our experience in the public sector human resources field, Consultant's professional staff makes preliminary "matches" and then schedules appointments by telephone, and sometimes in person, with knowledgeable individuals to answer specific questions. We find that the information collected using these methods has a very high validity rate and is generally substantiated by employees, management, and governing bodies as well.

Task C. Analysis and preliminary data review

Data will be entered into spreadsheet format designed for ease of interpretation and use. The information will be presented in a format that will identify the comparator positions used for each classification comparison. Information will be calculated based upon both average and median figures allowing the studied agency to make informed compensation decisions.

In addition, Consultant will include any type of statistical representation and analysis that the agency desires such as 60th, 70th, or any other percentiles. Benefits data will be displayed in an easy-to-read format. The Participating Agency will receive three sets of spreadsheets per classification, one with base pay, one with the benefits detail, and one with total compensation statistical data. Consultant may also often collect "other" benefits (as listed in the benefits section, A.3., above), if requested, which will typically be reported on a separate spreadsheet.

Task D. Draft compensation findings/additional analysis/study project team meetings

Consultant will distribute its draft findings to the Participating Agency. After their preliminary review, K&A will meet with agency management to clarify data, to receive requests for re-analysis of certain comparators, and to answer questions and address concerns. This provides an opportunity for the Study Project Team and other stakeholders to review and question any of our recommended benchmark comparator matches.

This task will include providing the market data to the bargaining units and any meetings with them that may be required to explain the data, field questions, and address concerns. If questions arise, Consultant will conduct follow-up analysis to reconfirm its original analysis and/or make corrections as appropriate.

Task E. Internal relationship analysis and internal alignment

To determine internal equity for all studied positions, considerable attention will be given to this task. It is necessary to develop an internal position hierarchy based on the organizational value of each classification. Again, Consultant will utilize the whole position analysis methodology described earlier.

Consultant will make recommendations regarding vertical salary differentials between classes in a class series, as well as across departments. This analysis will be integrated with the results of the compensation survey. The ultimate goal of this critical step of the process is to address any potential internal equity issues and concerns with the current compensation system, including compaction issues between certain classifications. Consultant will create a sound and logical compensation structure for the various levels within each class series, so that career ladders are

not only reflected in the classification system but also in the compensation system, with pay differentials between levels that allow employees to progress on a clear path of career growth and development. Career ladders will be looked at vertically as well as horizontally to reflect the agency's classification structure and to support agency efforts in attracting, retaining, and competitively compensating its employees.

Task F. Compensation structure and implementation plan development

Depending on data developed as a result of the internal analysis, Consultant will review and make recommendations regarding internal alignment and the salary structure within which the classes are allocated (set of salary ranges, salary differentials, steps within ranges, control points, and/or other alternative compensation plans, if desired), based upon the agency's preferred compensation model. Consultant will develop recommendations for pay grades and salary ranges for all classifications based on median and/or mean salaries from the comparable agencies.

Consultant will conduct a competitive pay analysis using the market data gathered to assist in the determination of external pay equity and the recommendation of a new base compensation structure. Consultant will conduct a comparative analysis to illustrate the relationships between current pay practices and the newly determined market conditions and develop solutions to address pay equity issues, analyze the financial impact of addressing pay equity issues, and create a market adjustment implementation strategy supporting the agency's broader strategies, goals, objectives, and budget considerations.

Finally, Consultant will evaluate benefit offerings in the labor market and make recommendations for better alignment and/or different benefit offerings as indicated by the analysis and best practices.

Draft recommendations will be discussed with the Study Project Team and agency management prior to developing an Interim Report.

Task G. Preparation of draft final and final report and deliverables

A Draft Interim Report of the Compensation Study will be completed and submitted to the Participating Agency for review and comment. The report will provide:

- Detailed compensation findings, documentation, and recommendations; □
- A set of all market data spreadsheets; □
- A proposed Salary Range document; □
- Policies and procedures to address employees whose base pay exceeds the maximum of a newly assigned pay range; □
- A manual of instructions regarding the administration of the proposed compensation system; □ discussion of how the compensation program impacts employee recruitment and retention □ efforts; □
- Implementation issues and cost projections surrounding our recommendations; and □
- A guide for rules, policies and procedures for the Participating Agency in implementing, managing and □ maintaining the compensation system. □

Once all of the Participating Agency's questions/concerns are addressed and discussed, a Final Compensation Report will be created and submitted to agency management in bound format. The Final Report will incorporate any appropriate revisions identified and submitted during the review of the draft report. □

The preparation of a Compensation Study will include multiple meetings and weekly oral and written status/progress updates to the Study Project Team, including meetings onsite at the Participating Agency, as needed.

CLASSIFICATION AUDITS

The methodology for **classification audits**, whether desk audits or supervisory audits, is very similar to the process outlined above in our CLASSIFICATION methodology. Of course, the scope of the project and number of individuals/stakeholders involved are typically much smaller and not all steps of the process may need to be followed. This will be adjusted and customized to each individual project and the client's needs.

Deliverables:

- Determine whether the position being studied is correctly classified and that the role is appropriate; whether the job duties are best allocated to a higher role or laterally to a different role, or if they are below the classification being studied. □
- Provide all original documentation of job analysis. □
- Provide progress reports and final reports when the audit is complete □

ON-CALL HR SERVICES

Consultant can provide and is not limited to the On-Call HR Services listed:

- Employee/labor relations issue
- Assistance with various labor laws (Title VII, Leave Laws, FLSA, ADA, EEOC)
- Wage and hour issues for exempt and non-exempt employees
- Personnel files and record keeping
- HR forms
- New-hire orientation
- Performance evaluation programs
- Job classification
- Developing individual job descriptions
- Re-organizations
- Compensation plan development
- Discipline and grievances
- Difficult terminations, investigations
- Policy interpretation and implementation
- Training, and other employee and labor relations issues and general professional HR advice
- Develop training and career development program

- Performance management
- Succession planning
- Change Management

Consultant cannot give legal advice, but are well-versed with labor laws and regulations, how to interpret them, and how to put them into practice within an organization.

The following are example scopes for several of the available On-Call HR Services including Develop Training and Career Development Programs, Performance Management, Change Management, Succession Planning, and Recruitment Services.

Develop Training and Career Development Program:

In reviewing any Participating agency's employee development and training programs, we will focus on two main elements, compliance training and career development.

Compliance Training: it is fairly easy to identify training needs and training resources and track completed training in this area. Compliance training could include CPR, first aid, driving, safety, unlawful harassment including sexual harassment, etc. that are legally required of some/all employees. Consultant would identify training resources, including online training and self-study courses, notify managers and supervisors apprising them of what topics and classes are available, determine who can or must attend certain compliance training, and track attendance and completion of such training.

Career development: due to consultant familiarity with public sector and transportation agencies in general, consultant has a strong foundation and understanding of what types of training needs may arise in this area. Due to consultant work with many transportation agencies over the years, they have at least basic knowledge of the type of work that is performed, the types of assignments, duties, and responsibilities, as well as, the required qualifications. Consultant will ensure that they fully understand all requirements of each position and the necessary qualifications, whether State or Federal-mandated (e.g., transportation planning and programming) or required by SACOG and Participating Agencies (through internal processes such as performance management and career development). The same can be said of consultant familiarity with many other types of special districts (water, sanitation, courts, etc.) and cities and counties.

In concert with managers and supervisors, consultant will identify employees' training needs, as well as appropriate training opportunities and resources. Consultant will also be responsible for the quality control of what kinds of training are offered, such as asking employees to provide evaluation reports on training that is provided to them.

Performance Management:

The first step of this project would be to conduct an organizational assessment to review the Participating Agency's annual evaluation process by examining the knowledge, skills, abilities, and competencies the current staff members are required to have and linking them to the

agency's business needs and objectives. This phase of the project will include a review and analysis of the history, culture, base pay system, and foundation of the Participating Agency. Consultant will identify the strengths and potential barriers of the agency's current performance management system; review and analyze the functions/classifications of agency staff and which competencies are required of each functional assignment to determine how an appropriate evaluation framework, process, and format should be designed.

A second level of effort will be to develop the actual performance appraisal process and train managers and supervisors on goal setting, leadership and communication as they relate to the Participating Agency's operational values. Consultant will define competencies that interrelate to each level within the Participating Agency (for example, executive, non-represented, and represented employees); assist the Participating Agency in determining goals for each level that interrelate to overall Participating Agency goals; develop competencies/metrics/scorecards revolving around determined goals; determine appropriate needs and provide administrative support and training for implementation; recommend, facilitate, and provide training classes; and continue to provide monthly status reports describing activities and progress and present these to the Participating Agency.

Succession Planning:

The purpose of Succession Planning is to accomplish the following outcomes, and provide the following deliverables, at a minimum:

1. An assessment of future service needs.
2. Identification of critical positions, review of associated class specifications, and identification of any deficiencies and/or recommendations regarding revisions to the class specifications.
3. Identification of job competencies/key skill sets for critical positions.
4. Development of a plan to address critical positions as vacancies occur.
5. Gap analysis to determine the existence of and/or the extent of a gap in the competencies for each critical position.
6. Identification of training and development activities to close the gaps and build stronger competencies in employees.
7. Implementation strategy for the succession plan.
8. Tools for monitoring and evaluating the long-term success of the succession plan.

Succession Planning includes a significant number of meetings with the project team, management, human resources, employees, and the relevant governing body, as desired. Consultants have expertise in labor/management relations and understand the importance of active participation by all stakeholders to ensure a successful outcome. The meetings and "stakeholder touch-points" that consultants recommend ensure understanding of the project parameters, enhance accurate intake and output of information, and contribute to a collaborative and interactive approach that will result in greater buy-in for our recommendations. This interactive approach, although time-consuming, has resulted in almost 100% implementation success of consultants' projects.

Change Management:

We are experienced in conducting organizational assessments and efficiency studies for our clients, often these types of assessments go hand-in-hand with a classification study. Some of the typical objectives consultant often targets are as follows:

Operational Objectives:

- To carefully analyze the scope and level of duties and responsibilities, processes and assignments, requirements for successful work performance (including required competencies), and other factors of the Participating Agency's assignments/positions/classifications;
- To conduct a comprehensive position assessment, including review of existing documentation, position assessment questionnaire completion, employee interviews/focus groups, management interviews, analysis of existing positions and working situations, and other professional methods, as appropriate;
- To identify organizational and workload issues during interviews with employees/focus groups including consideration of technology and automation potential and improvements as well as the addition of other operational tools;
- To provide for growth and flexibility of assignment where feasible, as well as adequate career paths that will foster career service within the Participating Agency and provide a clearly designed organizational structure, reporting relationships, and logical classification series/job families that are reflective of modern, up-to-date best practices;
- To review and make recommendations to update the Participating Agency's employee performance management system that holds employees accountable to the core competencies and values the organization wishes to instill as well as established annual goals and objectives and industry best practices; and
- To identify operational issues by analyzing financial results of the City against industry and market trends, specifically related to operating revenue and expenses.

Best Management Practices and Performance Metrics Objectives:

- To review and make recommendations regarding a pool of comparator agencies that are not only similar in size, resources, and service provision to the Participating Agency, but also reflect the high level of forward thinking and ingenuity, diversity, and customer service upon which the Participating Agency is looking to model itself;
- To collect accurate organizational and operational data from the approved group of comparator agencies and to ensure that this information is analyzed in a manner that is clear and comprehensible to the Participating Agency, management, and employees;
- To collect information from each of the comparator agencies regarding organizational structure, position allocations, work assignments, resources used (including human, financial, and technology resources), operational and customer service data;
- To prescribe best management practices that are reflective of industry knowledge and the approved group of comparator agencies, as well as identify any changes that could be made to align the Participating Agency with the future direction of human resources;
- To recommend strategies to incorporate industry and market best practices into day-to-day operations; and
- To identify opportunities to leverage departmental efforts to improve overall synergy throughout the Participating Agency.

Overall Objectives:

- To review and understand all current documentation, policies, procedures, practices, organizational charts, budgetary and financial data, and related information so that the recommended implementation plan(s) can be operationally incorporated with a minimum of disruption;
- To review, analyze, and make recommendations that will enhance organizational effectiveness and improve customer service;
- To ensure sufficient documentation throughout the study and to develop a sound and realistic implementation strategy so that the plan can be implemented and maintained in a competent and fair manner;
- To conduct a start-up meeting with the Project Team to finalize study plans and timetables; conduct briefing and orientation sessions with employees and management in order to educate and explain the scope of the study and describe what are and are not reasonable study expectations and goals;
- To work collaboratively and effectively with the Participating Agency and its stakeholders while at the same time maintaining control and objectivity in the conduct of the study;
- To ensure sufficient documentation of the study processes and methodologies so that the Participating Agency can integrate, maintain, and administer the plans after the initial implementation in a competent and fair manner; and
- To provide effective ongoing communications throughout the duration of the project through the scheduling of several “check ins” with the Human Resources Manager in the form of in-person meetings as well as telephone discussions.

Recruitment Services:

Following are the tasks to be completed for a management level recruitment:

Task 1. Needs Assessment: Meet with Key Decision Makers to Develop Ideal Candidate Profile

The identification of the desired profile of the ideal job candidate for a management level position is crucial for a successful search process. Consultant will meet with Human Resources, the incumbent if desired, and other stakeholders, to discuss and refine the client Participating Agency’s needs and resulting position requirements. It will also be helpful to speak to other Department Heads in the Participating Agency, and other key staff in the client agency to gain their perspectives on which competencies the position will need to bring to the table.

The goal of this phase of the recruitment is to identify and/or develop:

- The various organizational needs, vision, mission, goals, strengths, challenges, opportunities, dynamics, culture, and staff of the Participating Agency;
- Position profile requirements, i.e., knowledge, skills, and abilities;
- Ideal candidate’s competencies, experiences, and characteristic profile;
- Personal and professional attributes required of and priorities for the new incumbent;
- Conditions and challenges in achieving the priorities identified above;
- Scope of community input and participation in the process;

- Type of working relationship Participating Agency leadership desires with the new incumbent;
- Concerns and issues regarding the recruitment and the position;
- Advertising strategies in conjunction with a national outreach;
- Geographic strategies;
- Compensation levels; and
- Completion timetable.

Working closely with the Participating Agency and agency leadership, and other stakeholders, consultant assists in identifying the specific needs of the Participating Agency and the key competencies and characteristics of the “ideal candidate.”

Task 2. Position Specification and Action Plan

Once “ideal candidate” criteria have been established, we will prepare a written specification that outlines the required skills, competencies, position responsibilities, and criteria for job success. Consultant will provide the written specification to Human Resources, and other stakeholders for review and approval. In addition, salary and benefit considerations are discussed to ensure market competitiveness, credential requirements are considered, geographic recruitment boundaries are identified, and a recruitment action plan will be developed.

At the conclusion of the meeting(s) with the stakeholder group, there should be a clear consensus of the key qualifications and characteristics of the position and the process, action plan, and timetable to be utilized for the recruitment activity.

Task 3. Research: Develop and Implement Recruitment and Advertisement Strategy

Following the development of the candidate profile, a professionally produced recruitment brochure will be prepared and presented to the appointing authority, HR, and other stakeholders for review prior to printing. The brochure/job flyer will highlight the strengths and challenges of the Participating Agency, its organizational structure and services, its mission and goals, pertinent facts regarding the position, and necessary and desirable candidate qualifications.

Advertisements will be prepared and placed for publication in appropriate newsletters, job bulletins, websites, professional magazines, industry trade journals, professional organizations, public sector newsletters, etc. The approach consultant recommends taking is to place priority on job-related professional publications online job postings versus printed line ads. Consultant is flexible and can also place print ads in local newspapers if desired, although our experience has been that those are very costly and it is questionable whether job seekers will use hardcopy newspaper career sections to identify suitable jobs, as opposed to using other means of job search. Consultant will also place ads on LinkedIn and use this recruiting and candidate sourcing tool as one of our most dynamic resources. Consultant will use our own resources and coordinate with the stakeholder group to identify relevant local government and industry sources where prospective candidates are likely to be found.

Finally, consultant will also send brochures and announcements to other agencies (cities, counties, etc.), both locally and statewide. In addition, consultant has developed various

industry-specific mailing lists for direct marketing to individuals who hold certain desirable professional licenses and certifications.

Task 4. Prospect Identification

Additional search strategies will be developed in conjunction with the approaches above and the initial organizational assessment. With management recruitments, consultant believes it is critical to develop a high level of visibility with a comprehensive outreach program supplemented by a focused search and sourcing approach.

Having worked in the public sector for 32 years, consultant has established excellent relationships with many agencies and their management teams. Utilizing this effective network, consultant will discreetly solicit recommendations and contact individuals meeting our criteria who may not be actively seeking other employment. Time and again, this has proved to be a valuable candidate source that is used concurrently with more traditional recruitment strategies as described above. Consultant will develop a list of targeted candidates based on our contacts, referrals, and recommendations from key sources who have extensive contacts and networks in the industry. The individuals on the contact list will be directly contacted and encouraged to apply for the position.

Consultant will work with the key stakeholders to make the final decision regarding which recruitment strategy to employ. The goal is to recruit candidates from diverse backgrounds utilizing local, regional, and statewide, and national, as well as the LinkedIn professional website, as appropriate.

Having conducted countless management search efforts has made consultant an expert in identifying, targeting, recruiting, and successfully placing women and minority candidates in many of our recruitments. Being a majority woman-owned and State registered small business, our firm has a vast pool of resources at our fingertips when designing a successful advertising campaign that targets women and minorities.

Finally, consultant will also place internet postings on public and private sector employment bulletin boards, the Participating Agency's website, if desired, and our own company website.

Task 5. Contact Potential Candidates

To further detail this task, as described above, the effort will include a variety of activities designed to attract the best available candidates. Consultant will:

- Contact professionals to identify outstanding potential candidates;
- Provide each potential candidate with a copy of the recruitment brochure transmitted by personal letter and/or email; and
- Contact potential candidates by telephone to explain the career opportunity, answer questions, and encourage them to submit a resume and application.

Task 6. Review Application Packets and Assess Candidates

Typically, consultant requires applicants to submit a fully completed application form, a résumé and cover letter, a supplemental questionnaire if desired, and any other information that applicants would like to add. Consultant can provide our generic application form unless the Participating Agency prefers using its own application form.

After application materials are received, consultant will prepare a thorough assessment of the merits of each candidate and their appropriateness for hire, including their professional and educational credentials. Initially, candidates and application materials are carefully evaluated based upon an objective and clearly defined factor ranking analysis that incorporates the concerns and issues previously discussed, as well as the specific requirements of the job description. All elements from the initially developed position profile will be incorporated in the evaluation, including required experience, education, licenses/certifications, knowledge, skills, and abilities; ideal candidate competencies, experiences, and characteristic profiles; and personal and professional attributes required of and priorities for the new incumbent. Candidates are also ranked against each other and a numerical score that clearly distinguishes the most qualified candidates recommended for further consideration.

Task 7. Presentation of Prospects

Consultant will present the preliminary slate of top prospects to the key stakeholders. The Participating Agency will approve the number of prospects that it would like the consultant to schedule for consideration. Consultant will facilitate the process with Participating Agency leadership and Human Resources to review the recommended group of candidates.

Task 8. Prospect Evaluation: Conduct Initial Screening/Preliminary Interviews

Top candidates will initially be screened by means of a telephone screening interview to further assess their experience and qualifications, to clarify any issues raised by the submitted documents; reasons for position interest will be identified; the level of commitment to the position and the organization will be determined; and other issues, including salary requirements will be discussed.

In addition, top candidates will be personally interviewed to further narrow the pool to only the most highly qualified candidates and to further establish best organizational fit of each potential finalist. The goal is to narrow the pool to only the most highly qualified candidates and to further establish best organizational fit of each potential finalist.

This screening process is specifically designed to assess the personal and professional attributes the Participating Agency is seeking and will focus on each candidate's management ability, technical competency, fit with the Participating Agency's values, culture, needs, the candidate's behavioral styles and situational experience, and other relevant characteristics.

Task 9. Background and Professional Reference Checks

Consultant will conduct extensive reference and background checks for the final candidate(s). This task can be completed for all candidates that are being recommended for the next phase of the examination process or, if the Participating Agency prefers, after the panel interviews and before the Participating Agency conducts its second round of interviews, if any.

This review includes employment and professional references, a public records search, Internet, media and newspaper searches, confirmation of educational degrees, driving record check, criminal record search and military service check (if applicable), and a financial history check.

Consultant, as well as our background contract firm, meet or exceed all of California's extensive reporting requirements.

Task 10. Recommend a Slate of Candidates

Consultant will submit for review by the key stakeholders, clear written recommendations and analysis of the most qualified applicants as finalists. Our recommendations will include all relevant data submitted by the applicants, such as application forms, cover letters, résumés, and any additional information the applicants have submitted.

In addition, consultant will provide our detailed assessment from each of the various steps of the assessment process, as outlined above.

Task 11. Applicant Interviews: Coordinate and Facilitate the Oral Board Interview Process

Working with the appointing authority, HR, and other stakeholders, consultant will develop a set of key questions that will help analyze the candidates' qualifications and management/work style. Consultant will complete all of the necessary communications with the members of the interview panel and candidates so that all parties are well-prepared for the interviews.

Consultant will provide oversight during the interview process and facilitate a focused panel discussion at the conclusion of the interviews to identify the most qualified candidates for final consideration. Our facilitation skills usually prove useful in the assessment of candidates at the end of the interview process.

Task 12. Final Interviews: Coordinate Final Interview Process

Our experience is that often the interview panel will narrow the field of candidates to two or three finalists who are asked back to the Participating Agency for a more informal second and final interview. This may include meeting other Participating Agency staff, touring Participating Agency facilities, and spending more quality time with key individuals at the Participating Agency and other stakeholders.

Task 13. Negotiate Terms and Conditions of Employment

If desired, our firm is available to assist in the negotiations of the final terms and conditions of employment, such as compensation package, benefits, and other perquisites.

Task 14. Maintain All Required Legal Documentation

Consultant are responsible for ensuring compliance with and establishing and maintaining all legally mandated documentation throughout the process.

Task 15. Complete all Correspondence

Consultant believe that each candidate, regardless of their qualifications and success in the selection process, deserves the courtesy and respect of being informed throughout the process. Applicants receive ongoing communications via our office, which not only keeps all the candidates abreast of the process and their continued candidacy, but also enhances the Participating Agency's reputation and image of being considerate, thoughtful, and professional.

Task 16. Maintain Regular and Ongoing Communications

Consultant's #1 priority is meeting the Participating Agency's needs. Regular, ongoing dialogue with the key decision makers is integral and critical to successfully managing a recruitment campaign. Consultant will provide progress reports to the appointing authority and HR Manager at critical points in the recruitment process or as issues arise. Reports will describe our progress in meeting the goals of the scope of services and issues. Consultant will be responsible for scheduling, coordinating, and preparing all of the necessary materials for the key stakeholders, and other meetings throughout the duration of the process.

Task 17. Post-Employment Support

In addition to the steps of the process leading to an offer of employment to the top candidate, consultant is committed to ensuring that the new incumbent's transition into the new position will be smooth and successful.

III. TIMEFRAME FOR CLASSIFICATION AND COMPENSATION STUDIES:

Classification and compensation studies can vary significantly in scope (one-position/classification analysis vs. an agency-wide study) and therefore, timeframes can vary accordingly, from a few weeks to several months.

If a classification and compensation study were desired for multiple departments including hundreds of positions/incumbents, our professional experience is that classification and compensation studies for large agencies can take about four to six (4-6) months to complete, allowing for adequate interview time, classification description review and/or development, compensation data collection and analysis, review steps by the agency, the development of final reports, any appeals, and presentations. Smaller groups of classifications and positions/incumbents (or smaller agencies) would require much shorter periods of time.

Following is a suggested timeline for a combined classification and compensation study based on a six (6) month timeline:

Task	Classification Study	Week
A.	Initial Documentation Review/Meetings with Study Project Team and Management Staff	Week 1
B.	Orientation Meetings with Employees and Distribution of PDQ	Week 2
C.	PDQ Completion and Review	Week 4
D.	Employee/Supervisor/Management Interviews	Week 5
E.	Classification Concept and Preliminary Allocation Development	Week 6
F.	Draft Class Description Development and Update	Week 12
G.	Draft Class Description Review and Informal Appeal Process	Week 14
H.	Finalize Classification Plan and Draft Interim Report/Final Report	Week 16
	Compensation Studies	
A.	Identify Comparator Agencies, Benchmark Classifications, and Benefits to Be Collected	Week 4
B.	Data Collection	Week 18
C.	Analysis and Preliminary Data Review	Week 19
D.	Draft Compensation Findings/Additional Analysis/Study Project Team Meetings	Week 21
E.	Internal Relationship Analysis and Internal Alignment	Week 22
F.	Compensation Structure and Implementation Plan Development	Week 23
G.	Development of Draft Final and Final Report and Deliverables	Week 24
H.	Formal Presentation to the Stakeholder Group	As Needed

EXHIBIT “B”

FEE SCHEDULE AND PRICING TERMS

1. Large Scale Classification and Compensation Studies

“Large scale” classification and compensation studies represents (5) or more classifications.

Koff & Associates (“Contractor”) will be billing each agency a composite rate of **\$112 per hour** to all agencies contracting a large scale Classification or Compensation study or the combination of the two.

2. Individual Classification and Compensation Studies and Classification Audits

Classification and compensation efforts for smaller efforts (less than 5 classifications) and classification audits will be billed at a composite rate of **\$120 per hour**.

3. On-Call HR Services

The hourly rates for on-call HR services listed in Exhibit A are as shown:

- President/CEO: \$165/hour
- Senior Project Manager: \$130/hour
- Project Manager: \$130/hour
- Senior Consultant/Consultant: \$120/hour
- Technical/Admin. Support: \$65/hour

4. SACOG Administrative Fee

Every six months from the effective date of this Agreement, Contractor will deliver to SACOG a report stating the number of hours billed to Participating Agencies during the prior six-month period. Concurrently with the delivery of said report, Contractor will pay SACOG an administrative fee of \$2.00 for each hour of work performed under this contract, as shown in the report. Contractor will not transfer this administrative charge to the Participating Agencies. Payment will be made on the basis of actual service delivery without any withholding for late payment by a Participating Agency.

EXHIBIT "C"

LEVINE ACT DISCLOSURE STATEMENT

(To be completed by all proposers on SACOG consultant contracts)

California Government Code § 84308, commonly referred to as the "Levine Act," precludes an Officer of a local government agency from participating in the award of a contract if he or she receives any political contributions totaling more than \$250 in the 12 months preceding the pendency of the contract award, and for three months following the final decision, from the person or company awarded the contract. This prohibition applies to contributions to the Officer, or received by the Officer on behalf of any other Officer, or on behalf of any candidate for office or on behalf of any committee. The Levine Act also requires disclosure of such contributions by a party to be awarded a specified contract. Please refer to the attachment for the complete statutory language.

Current members of the SACOG Board of Directors are:

Cecilia Aguiar-Curry	Kim Douglass	David Sander
John Buckland	Diane Hodges	Don Saylor
Dave Butler	Robert Jankovitz	Jay Schenirer
Christopher Cabaldon	Kevin Johnson	Phil Serna
John Clerici	Paul Joiner	Jeff Slowey
Mark Crews	Patrick Kennedy	Tom Stallard
Gary Davis	Steve Miklos	Brian Veerkamp
Jack Duran	Susan Peters	Dave Wheeler
Dan Flores	Bridget Powers	Rick West
Lucas Frerichs	Susan Rohan	
Mary Jane Griego	Ricky Samayoa	

1. Have you or your company, or any agent on behalf of you or your company, made any political contributions of more than \$250 to any SACOG Director(s) in the 12 months preceding the date of the issuance of this request for proposal or request for qualifications?

___ YES ☒ NO

If yes, please identify the Director(s): _____

2. Do you or your company, or any agency on behalf of you or your company, anticipate or plan to make any political contributions of more than \$250 to any SACOG Director(s) in the three months following the award of the contract?

___ YES ☒ NO

If yes, please identify the Director(s): _____

Answering yes to either of the two questions above does not preclude SACOG from awarding a contract to your firm. It does, however, preclude the identified Director(s) from participating in the contract award process for this contract.

10.26.16
DATE

Georg S. Krammer
(SIGNATURE OF AUTHORIZED OFFICIAL)

GEORG S. KRAMMER, CEO
(TYPE OR WRITE APPROPRIATE NAME, TITLE)

KOFF & ASSOCIATES
(TYPE OR WRITE NAME OF COMPANY)

California Government Code Section 84308

- (a) The definitions set forth in this subdivision shall govern the interpretation of this section.
- (1) **"Party"** means any person who files an application for, or is the subject of, a proceeding involving a license, permit, or other entitlement for use.
 - (2) **"Participant"** means any person who is not a party but who actively supports or opposes a particular decision in a proceeding involving a license, permit, or other entitlement for use and who has a financial interest in the decision, as described in Article 1 (commencing with Section 87100) of Chapter 7. A person actively supports or opposes a particular decision in a proceeding if he or she lobbies in person the officers or employees of the agency, testifies in person before the agency, or otherwise acts to influence officers of the agency.
 - (3) **"Agency"** means an agency as defined in Section 82003 except that it does not include the courts or any agency in the judicial branch of government, local governmental agencies whose members are directly elected by the voters, the Legislature, the Board of Equalization, or constitutional officers. However, this section applies to any person who is a member of an exempted agency but is acting as a voting member of another agency.
 - (4) **"Officer"** means any elected or appointed officer of an agency, any alternate to an elected or appointed officer of an agency, and any candidate for elective office in an agency.
 - (5) **"License, permit, or other entitlement for use"** means all business, professional, trade and land use licenses and permits and all other entitlements for use, including all entitlements for land use, all contracts (other than competitively bid, labor, or personal employment contracts), and all franchises.
 - (6) **"Contribution"** includes contributions to candidates and committees in Federal, State, or local elections.
- (b) No officer of an agency shall accept, solicit, or direct a contribution of more than two hundred fifty dollars (\$250) from any party, or his or her agent, or from any participant, or his or her agent, while a proceeding involving a license, permit, or other entitlement for use is pending before the agency and for three months following the date a final decision is rendered in the proceeding if the officer knows or has reason to know that the participant has a financial interest, as that term is used in Article 1 (commencing with Section 87100) of Chapter 7. This prohibition shall apply regardless of whether the officer accepts, solicits, or directs the contribution for himself or herself, or on behalf of any other officer, or on behalf of any candidate for office or on behalf of any committee.
- (c) Prior to rendering any decision in a proceeding involving a license, permit or other entitlement for use pending before an agency, each officer of the agency who received a contribution within the preceding 12 months in an amount of more than two hundred fifty dollars (\$250) from a party or from any participant shall disclose that fact on the record of the proceeding. No officer of an agency shall make, participate in making, or in any way attempt to use his or her official position to influence the decision in a proceeding involving a license, permit, or other entitlement for use pending before the agency if the officer has willfully or knowingly received a contribution in an amount of more than two hundred fifty dollars (\$250) within the preceding 12 months from a party or his or her agent, or from any participant, or his or her agent if the officer knows or has reason to

know that the participant has a financial interest in the decision, as that term is described with respect to public officials in Article 1 (commencing with Section 87100) of Chapter 7. If an officer receives a contribution which would otherwise require disqualification under this section, returns the contribution within 30 days from the time he or she knows, or should have known, about the contribution and the proceeding involving a license, permit, or other entitlement for use, he or she shall be permitted to participate in the proceeding.

- (d) A party to a proceeding before an agency involving a license, permit, or other entitlement for use shall disclose on the record of the proceeding any contribution in an amount of more than two hundred fifty dollars (\$250) made within the preceding 12 months by the party, or his or her agent, to any officer of the agency. No party, or his or her agent, to a proceeding involving a license, permit, or other entitlement for use pending before any agency and no participant, or his or her agent, in the proceeding shall make a contribution of more than two hundred fifty dollars (\$250) to any officer of that agency during the proceeding and for three months following the date a final decision is rendered by the agency in the proceeding. When a closed corporation is a party to, or a participant in, a proceeding involving a license, permit, or other entitlement for use pending before an agency, the majority shareholder is subject to the disclosure and prohibition requirements specified in subdivisions (b), (c), and this subdivision.
- (e) Nothing in this section shall be construed to imply that any contribution subject to being reported under this title shall not be so reported.

For more information, contact the Fair Political Practices Commission, 428 J Street, Suite 800, Sacramento, CA 95814, (916) 322-5660.

EXHIBIT D

County of Sacramento PAYEE DATA RECORD

(Required in lieu of IRS W-9 when doing business with the County of Sacramento)

1	INSTRUCTIONS	Complete all information requested on this form. Sign, date, and return to the Department requesting this information. Prompt return of this fully completed form will prevent delays when processing payments. Information provided in this form will be used by the Department of Finance to prepare Information Returns (1099) and fulfill reporting obligations under the California Independent Contractor Reporting Law. Payment will be subject to a combined federal and state income tax backup withholding of 35%, without a valid FEIN/SSN. See next page for more information and Privacy Statement.
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2	PAYMENT TYPE	Check the boxes that apply to Sacramento County's payments to you <input type="checkbox"/> Goods <input checked="" type="checkbox"/> Services <input type="checkbox"/> Medical Services <input type="checkbox"/> Rents/Leases <input type="checkbox"/> Other:
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3	PAYEE INFORMATION	NAME (as shown on your income tax return) KARNEKO & KRAMMER CORP TRADE NAME OR DBA (if different from line 1) Koff & Associates MAILING ADDRESS (Number and Street or P.O. Box Number) 2835 Seventh St. (City, State and Zip Code) Berkeley CA 94710 PAYMENT REMITTANCE ADDRESS (Number and Street or P.O. Box Number) Same (City, State and Zip Code)
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4	PAYEE ENTITY TYPE	<input type="checkbox"/> PARTNERSHIP (FEIN) <input type="checkbox"/> ESTATE OR TRUST (FEIN) <input type="checkbox"/> LIMITED LIABILITY COMPANIES (LLC): <input checked="" type="checkbox"/> CORPORATION (FEIN) <input type="checkbox"/> PARTNERSHIP (FEIN) <input type="checkbox"/> SOLE PROPRIETORSHIP (SSN) <input type="checkbox"/> GOVERNMENT ENTITIES - Federal, State, and Local (Including School Districts) <input type="checkbox"/> INDIVIDUAL OR SOLE PROPRIETOR (MUST PROVIDE SSN) NOTE: SSN is mandatory of all Individuals/Sole Proprietors by authority of CA Revenue and Taxation Code Section 18645 and CA Independent Contractor Reporting Section 1086.8.
	CHECK ONE BOX ONLY	CORPORATION (FEIN) (MARK ONLY ONE TYPE): <input type="checkbox"/> MEDICAL (e.g. dentistry, chiropractic, etc.) <input type="checkbox"/> LEGAL (e.g. attorney services) <input type="checkbox"/> EXEMPT (nonprofit) Exempt payee code if any _____ (see next page) <input type="checkbox"/> ALL OTHERS
	TIN	Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For Individuals or sole proprietorship, this is your social security number (SSN). FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN) 61-1493064 SOCIAL SECURITY NUMBER OF OWNER _____ OWNER'S FULL NAME (Print) _____ First Middle Initial Last

5	PAYEE RESIDENCY STATUS	<input checked="" type="checkbox"/> California Resident - Qualified to do business in California or maintains a permanent place of business in California. California Resident and P.O. Box provided in "3" above, provide physical California address: <input type="checkbox"/> California Nonresident - Payments to nonresidents for services may be subject to State income tax withholding. (See Nonresident Withholding on next page) <input type="checkbox"/> No Services performed in California <input type="checkbox"/> Copy of Franchise Tax Board waiver of State withholding attached CALIFORNIA SELLER'S PERMIT NUMBER - if applicable _____
		NOTE: (SEE NEXT PAGE)

6	CERTIFYING SIGNATURE	Under penalty of perjury, I certify that: 1. The number shown on this form is my correct taxpayer identification number, and 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest of dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and 3. I am a United States person (including a United States resident alien), and 4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct. Exemption from FATCA reporting code (if any) _____ (see next page). AUTHORIZED PAYEE REPRESENTATIVE'S NAME & TITLE (Type or Print) GEORG S. KRAMMER, CEO E-MAIL ADDRESS gkrammer@koffassociates.com SIGNATURE OF U.S. PERSON Georg Krammer DATE 10-26-16 TELEPHONE NUMBER 570-658-5633
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(REV November 2013)

700 H Street, Room 3650 • Sacramento, CA 95814 • Phone (916) 874-7411 • Fax (916) 874-6182 • email: W9@sacounty.net

County of Sacramento

County of Sacramento
Payee Data Record
(REV November 2013)

PURPOSE OF FORM

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you for real estate transaction.

ARE YOU A RESIDENT OR A NONRESIDENT?

Each corporation, individual/sole proprietor, partnership, estate or trust doing business with the County of Sacramento must indicate their residency status along with their taxpayer identification number.

A corporation will be considered a "resident" if it has a permanent place of business in California. The corporation has a permanent place of business in California if it is organized and existing under the laws of this state or, if a foreign corporation has qualified to transact intrastate business. A corporation that has not qualified to transact intrastate business (e.g., a corporation engaged exclusively in interstate commerce) will be considered as having a permanent place of business in this state only if it maintains a permanent office in this state that is permanently staffed by its employees.

For individual/sole proprietorship, the term "resident" includes every individual who is in California for other than a temporary or transitory purpose or any individual domiciled in California who is absent for a temporary or transitory purpose. Generally, an individual who comes to California for a purpose which will extend over a long or indefinite period will be considered a resident. However, an individual who comes to perform a particular contract of short duration will be considered a nonresident.

For withholding purposes, a partnership is considered a resident partnership if it has a permanent place of business in California. An estate is considered a California estate, if the decedent was a California resident at the time of death and a trust is considered a California trust if at least one trustee is a California resident.

More information on residency status can be obtained by calling the Franchise Tax Board at the numbers listed below:

From within the United States, call.....1-800-852-5711
From outside the United States, call.....1-916-645-8500
For hearing impaired with TDD, call.....1-800-622-6268

EXEMPTIONS

If you are exempt from backup withholding and/or FATCA reporting, enter in the Exemption box, any code(s) that may apply to you. See Exempt payee code and Exemption from FATCA reporting code on page 3 of IRS Form W-9 (Rev. 8-2013) for the codes.

ARE YOU SUBJECT TO NONRESIDENT WITHHOLDING?

Payments made to nonresident payees, including corporations, individuals, partnerships, estates, and trusts, are subject to withholding. Nonresident payees performing services in California or receiving rent, lease or royalty payments from property (real or personal) located in California will have 7% of their total payments withheld for state income taxes. However, no withholding is required if total payments to the payee are \$1500 or less for the calendar year.

A nonresident payee may request that income taxes be withheld at a lower rate or waived by sending a completed form FRB 588 to the address below. A waiver will generally be granted when a payee has a history of filing California returns and making timely estimated payments. If the payee activity is carried on outside of California or partially outside of California, a waiver or reduced withholding rate may be granted. For more information, contact:

State of California
Franchise Tax Board
Nonresident Withholding Section
Attention: State Agency Withholding Coordinator
P.O. Box 651 Sacramento, CA 95812-0651
Telephone: (916) 845-4900
FAX: (916) 845-4831

WEB SITE: www.ftb.ca.gov

If a reduced rate of withholding or waiver has been authorized by the Franchise Tax Board, attach a copy to this form.

PRIVACY STATEMENT

Section 7(b) of the Privacy Act of 1974 (Public Law 93-579) requires that any federal, state, or local governmental agency which requests an individual to disclose his social security account number shall inform that individual whether that disclosure is mandatory or voluntary, by which statutory or other authority such number is solicited, and what uses will be made of it.

The County of Sacramento requires that all parties entering into business transactions that may lead to payment(s) from the County must provide their valid Taxpayer Identification Number (TIN) as required by the State Revenue and Taxation Code, Section 18846 to facilitate tax compliance enforcement activities and to facilitate the preparation of Form 1099 and other information returns as required by the Internal Revenue Code, Section 6109(a). The TIN for an individual and a sole proprietorship is the Social Security Number (SSN). The Internal Revenue Service (IRS) considers a TIN as incorrect if either the name or the number shown on an account does not match a name and number combination in their files or the files of the Social Security Administration (SSA). Section 3406 of the Internal Revenue Code requires that we withhold 28% in tax, called backup withholding, if the correct Payee name/TIN combination is not provided.

It is mandatory to furnish the information required. Federal law requires that payments for which the requested information is not provided be subject to a 28% withholding and state law imposes noncompliance penalties of up to \$20,000.

EL DORADO COUNTY TRANSIT AUTHORITY
6565 COMMERCE WAY
DIAMOND SPRINGS, CA 95619-9454
(530) 642-5383

PURCHASE ORDER NO. 22276THIS NUMBER MUST APPEAR ON ALL INVOICES,
PACKING LISTS, PACKAGES, AND BILLS OF LADING.**DATE: 03/02/17**

ACCOUNT: 5030

CLASS: 125

TO: KOFF & ASSOCIATES
 2835 SEVENTH STREET
 BERKELEY, CA 94710

SHIP & INVOICE TO:

EL DORADO COUNTY TRANSIT AUTHORITY
6565 COMMERCE WAY
DIAMOND SPRINGS, CA 95619-9454

Contact: Georg Krammer

Vendor Phone No: (510) 658-5633

Fax No: (510) 652-5633

PROMISED DELIVERY DATE		TERMS: NET 30		
		F.O.B. DESTINATION		
QTY	UNIT	DESCRIPTION	UNIT PRICE	EXTENDED TOTAL
		COMPENSATION & BENEFIT STUDY AS PER PROPOSAL CONTRACT BY EL DORADO COUNTY TRANSIT AUTHORITY		\$33,600.00
I hereby certify that this purchase order is in accordance with procedures in the purchase manual governing of such items for El Dorado County Transit Authority.			SUBTOTAL	\$33,600.00
			SHIPPING	
			SALES TAX	
			TOTAL	\$33,600.00
PURCHASING AGENT				

PLEASE NOTE CONDITIONS ON REVERSE SIDE

"This Purchase Order expressly limits acceptance to the terms and conditions stated herein, set forth on the reverse side and any supplementary or additional terms and conditions annexed hereto or incorporated herein by reference. Any additional or different terms and conditions proposed by seller are objected to and hereby rejected."