Chandler · Arizona	**PURCHASING ITEM FOR PUBLIC HOUSING AUTHORITY COMMISSION**	**1. Agenda Item Number**: 2
		2. PHAC Meeting Date: March 24, 2014
TO:	**CHAIRMEN & COMMISSIONERS**	**3. Date Prepared**: March 12, 2014
THROUGH:	**CITY MANAGER**	**4. Requesting Department**: City Manager/Neighborhood Resources/Housing

5. SUBJECT: Award agreement for Temporary Staffing Services

6. RECOMMENDATION: Staff recommends participation in Agreement No. CS4-964-3332 with Devau Human Resources for temporary staffing services for the Housing and Redevelopment Division for one-year, in an amount not to exceed $160,000.00 of the City's $1,500,000.00 agreement; with the option of four additional one-year extensions, upon Council approval of the master Devau Agreement brought forward by the Community Services Department on March 27, 2014.

7. HISTORICAL BACKGROUND/DISCUSSION: Contract employees are utilized by the Housing and Redevelopment Division to fill temporary positions such as Housing Inspector, Maintenance personnel, Painter, Recreation Leaders and Hearing Officer.

Other City departments that require specialty positions not available through temporary agencies under the state contract also utilize this contract. The contract was originally established when the IRS determined in December 1992 that a number of contract employees used by City departments should, in fact, be appointed temporary employees. It was determined that it would be in the best interest of the City to contract with a temporary employment agency for the provision of those employee services.

8. EVALUATION PROCESS: On December 16, 2013, staff issued a Request for Proposals (RFP) for Temporary Staffing Services and ten (10) responses were received. The selection process was conducted in accordance with established City policies and procedures. An evaluation committee consisting of staff from Purchasing, Community Services, and Neighborhood Resources/Housing was formed to evaluate the proposals received using the evaluation criteria listed in the RFP. The evaluation committee recommends award to Devau Human Resources due to their experience and qualifications, ability to meet scope of work, responsiveness, and cost considerations.

The City is charged a cost per hour per employee plus a markup for each employee used under the contract. The percentage is added to the cost per hour for the total number of hours the employee works. The markup percentage will vary depending on skill classification, with the client referral markup being 21.9% and the other skill classifications markup being 26.9%. The markup rate covers liabilities, check distribution, application process, benefits, and federal tax reporting for the temporary employees. The City determines if the hourly wage is reasonable prior to any employee being used under the contract. Attached is a report of all departments currently using Devau for temporary contract employees and their estimated annual usage for the next contract term. Staff provided estimates for the next contract term in the amount of $1,406,192. An amount not to exceed $1,500,000 is being requested to cover any additional requirements other than those listed during the term of the contract April 1, 2014, through March 31, 2015.

9. FINANCIAL IMPLICATIONS: Funds for temporary contract employees will be from various funds in the Housing and Redevelopment Division's professional contract services fund accounts (5219). All funds provided to Devau under this contract are federal funds and do not require repayment from the City of Chandler.

10. PROPOSED MOTION: Move to authorize participation in Agreement No. CS4-964-3332 with Devau Human Resources for temporary staffing services for the Housing and Redevelopment Division for one-year, in an amount not to exceed $160,000.00 of the City's $1,500,000.00 agreement; with the option of four additional one-year extensions, upon Council approval of the master Devau Agreement brought forward by the Community Services Department on March 27, 2014.

ATTACHMENT: Department Usage Report, Agreement

APPROVALS	
11. Requesting Department Kurt Knutson Kurt Knutson, Housing and Redevelopment Manager	**12. Department Head** Jennifer Morrison Jennifer Morrison, Neighborhood Resources
13. Procurement Officer Kristy Garcia Kristy Garcia, CPPB	**14. City Manager** Rich Dlugas Rich Dlugas

DEPT/DIVISION	COST CENTER	ANTICIPATED EXPENDITURE THROUGH YEAR END 3/31/14 (1 year total)	DESCRIPTION	EST DOLLAR AMT - NEW CONTRACT TERM 4/1/14 - 3/31/15 (1 year total)	DESCRIPTION
City Clerk	1030	$5,600	Transcription Services for Council Meetings	$6,360	Transcription Services for Council Meetings
Center for the Arts	1100	$142,000	Custodial, production, box office & house management contract staff needed during busier times of the year	$143,100	Custodial, production, box office & house management contract staff needed during busier times of the year
Information Technology	1280	$64,080	1 temporary staff to assit on IT help desk and 3 temporary staff for city wide computer refresh program to assist in computer deployment.	$80,000	1 temporary staff to assist on IT help desk and 3 temporary staff for city wide computer refresh program to assist in computer deployment.
Police	2021	$15,000	Impound Hearing Officer, Contract Latent Print Examiner	$63,600	Impound Hearing Officer (1), Contract Latent Print Examiner (2)
Transportation & Development	3010	$5,253	Contract Planner	$17,071	Contract Planner
Building & Facilities	3200	$95,000	Custodial positions (5)	$106,000	Custodial positions (5)
MUD/Solid Waste	3700	$20,000	Temporary positions - support for Refuse Management System (RMS) and the Recycling-Solid Waste Collection Center (RSWCC)	$21,200	Temporary positions - support for Refuse Management System (RMS) and the Recycling-Solid Waste Collection Center (RSWCC)
Library	4310	$305,129	Library Shelver, Techno Clerk, Security, Adult Literacy Coordinator, Technology Trainers	$331,917	Library Shelver (23), Techno Clerk (8), Security (2), Adult Literacy Coordinator (1), Job Center Coordinator (1), Reading Tutor (1)
Aquatics	4520	$19,000	Head and Assistant Swim Team Coaches, Asst. Manager, Lifeguard Instructors, WSI Instructor Trainers, Aqua Aerobic Instructors	$18,550	Head and Assistant Swim Team Coaches (8), Lifeguard Instructors (6), WSI Instructor Trainers (6), Aqua Aerobic Instructors (1)
Parks	4530	$43,515	Groundskeepers	$46,125	Groundskeepers
Recreation	4550, 4551, 4555	$285,879	Recreation Class Instructors for Tumbleweed Rec Center and Tennis Center, Senior Center, Community Center, Snedigar and satellite sites, Teen Outdoor Adventure Program, Youth Summer Camps, Sign Language Interpreter and Indoor Sports Program	$326,667	Recreation Class Instructors for Tumbleweed Rec Center and Tennis Center, Senior Center, Community Center, Snedigar and Environmental Education Center, Teen Outdoor Adventure Program, Youth Summer Camps, Sign Language Interpreter and Indoor Sports Program
Housing & Redevelopment	4650	$177,000	Housing Inspector, Maintenance personnel, Painter, Recreation Leaders, Hearing Officer	$159,000	Housing Inspector, Maintenance personnel, Painter, Recreation Leaders, Hearing Officer
Neighborhood Resources and Code Enforcement	1060, 1061	$1,500	On call help as needed for big projects including: Neighborhood surveys/data entry/mailings, etc., Special Events Assistance	$56,710	2 positions for On call help as needed for big projects including: Neighborhood surveys/data entry/mailings, etc., Special Events Assistance, and One Staff in Code Enforcement for Substandard Building Inspections.
Neighborhood Resources - Community Development	4700	$27,700	Voluntary Income Tax Assistance, Davis Bacon Labor Standards Specialist, Administrative Duties	$29,892	Voluntary Income Tax Assistance, Davis Bacon Labor Standards Specialist, Administrative Duties
	Total	***$1,206,656***		***$1,406,192***	

CITY OF CHANDLER SERVICES AGREEMENT
TEMPORARY STAFFING SERVICES
AGREEMENT NO.: CS4-964-3332

THIS AGREEMENT is made and entered into this ____ day of _____, 2014, by and between the City of Chandler, a Municipal Corporation of the State of Arizona, hereinafter referred to as "CITY", and Devau Human Resources (a Corporation of the State of Arizona), hereinafter referred to as "CONTRACTOR".

WHEREAS, CONTRACTOR represents that CONTRACTOR has the expertise and is qualified to perform the services described in the Agreement.

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties hereto agree as follows:

1. CONTRACT ADMINISTRATOR:

1.1. Contract Administrator. CONTRACTOR shall act under the authority and approval of the Procurement Officer /designee (Contract Administrator), to provide the services required by this Agreement.

1.2. Key Staff. This Contract has been awarded to CONTRACTOR based partially on the key personnel proposed to perform the services required herein. CONTRACTOR shall not change nor substitute any of these key staff for work on this Contract without prior written approval by CITY.

1.3. Subcontractors. During the performance of the Agreement, CONTRACTOR may engage such additional SUBCONTRACTORS as may be required for the timely completion of this Agreement. In the event of subcontracting, the sole responsibility for fulfillment of all terms and conditions of this Agreement rests with CONTRACTOR.

1.4. Subcontracts. CONTRACTOR shall not enter into any Subcontract under this Contract for the performance of this Contract without the advance written approval of CITY. The subcontract shall incorporate by reference the terms and conditions of this Contract.

2. SCOPE OF WORK: CONTRACTOR shall provide temporary staffing services all as more specifically set forth in the Scope of Work, labeled Exhibit B, attached hereto and made a part hereof by reference and as set forth in the Specifications and details included therein.

2.1. Non-Discrimination. The CONTRACTOR shall comply with State Executive Order No. 99-4 and all other applicable City, State and Federal laws, rules and regulations, including the Americans with Disabilities Act.

2.2. Licenses. CONTRACTOR shall maintain in current status all Federal, State and local licenses and permits required for the operation of the business conducted by the CONTRACTOR as applicable to this contract.

2.3. Advertising, Publishing and Promotion of Contract. The CONTRACTOR shall not use, advertise or promote information for benefit concerning this Contract without the prior written approval of the CITY.

2.4. Compliance With Applicable Laws. CONTRACTOR shall comply with all applicable Federal, state and local laws, and with all applicable licenses and permit requirements.

2.4.1 Pursuant to the provisions of A.R.S. § 41-4401, the Contractor hereby warrants to the City that the Contractor and each of its subcontractors ("Subcontractors") will comply with all Federal Immigration laws and regulations that relate to the immigration status of their employees and the requirement to use E-Verify set forth in A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty").

2.4.2 A breach of the Contractor Immigration Warranty (Exhibit A) shall constitute a material breach of this Contract that is subject to penalties up to and including termination of the contract.

2.4.3 The City retains the legal right to inspect the papers of any Contractor or Subcontractor employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty. The Contractor agrees to assist the City in the conduct of any such inspections.

2.4.4 The City may, at its sole discretion, conduct random verifications of the employment records of the Contractor and any Subcontractors to ensure compliance with Contractors Immigration Warranty. The Contractor agrees to assist the City in performing any such random verifications.

2.4.5 The provisions of this Article must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

2.4.6 In accordance with A.R.S. §35-393.06, the Contractor hereby certifies that the Offeror does not have scrutinized business operations in Iran.

2.4.7 In accordance with A.R.S. §35-391.06, the Contractor hereby certifies that the Offeror does not have scrutinized business operations in Sudan.

2.5. ***Americans with Disabilities Act Obligations:*** CONTRACTOR, as employer of the Assigned Temporary Workers, shall be responsible for complying with the requirements of the Americans with Disabilities Act (ADA) as it applies to the Assigned Temporary Workers and shall reimburse CITY for the cost of any reasonable accommodation.

2.6. ***Family and Medical Leave Act Obligations:*** CONTRACTOR acknowledges its obligations as the employer of the Assigned Temporary Workers for purposes of the Family and Medical Leave Act (FMLA) and shall administer all aspects of the FMLA as they relate to the Assigned Temporary Workers.

2.7. ***Equal Employment Opportunity:*** Contractor understands that CITY is an equal opportunity employer and, therefore, maintains a policy which prohibits unlawful discrimination based on race, color, creed, sex, age, national origin, physical handicap, disability, sexual orientation, gender identity, genetic information, or any other consideration made unlawful by federal, state, or local laws. All such discrimination is unlawful or contrary to CITY policy and CONTRACTOR agrees during the term of the Agreement that CONTRACTOR will strictly adhere to this policy in its employment practices and provision of services.

3. **ACCEPTANCE AND DOCUMENTATION:** Each task shall be reviewed and approved by the Contract Administrator to determine acceptable completion.

3.1. **Records**. The CONTRACTOR shall retain and shall contractually require each SUBCONTRACTOR to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract.

3.2. **Audit.** At any time during the term of this Contract and five (5) years thereafter, the CONTRACTOR'S or any SUBCONTRACTOR'S books and records shall be subject to audit by the City to the extent that the books and records relate to the performance of the Contract or Subcontract. Upon request, the CONTRACTOR shall produce a legible copy of any or all such records.

3.3. **Property of CITY.** Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of CITY. CONTRACTOR is not entitled to a patent or

copyright on those materials and may not transfer the patent or copyright to anyone else. CONTRACTOR shall not use or release these materials without the prior written consent of CITY.

4. **PRICE:** CITY shall pay CONTRACTOR an agreed upon wage for temporary contract employees plus an agreed upon mark-up percentage.

4.1. **PAYMENT:** CITY shall pay to CONTRACTOR an amount not to exceed **One Million Five Hundred Thousand Dollars ($1,500,000.00)** for a one-year period, for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit C, attached hereto and made a part hereof by reference. CITY reserves the right and will issue requests for services based on the ability of the CONTRACTOR to meet the CITY's work schedule and the availability of trained, experienced personnel for the required job duties.

4.2. **Taxes.** CONTRACTOR shall be solely legally responsible for any and all tax obligations, which may result out of CONTRACTOR'S performance of this Contract. CITY shall have no legal obligation to pay any amounts for taxes, of any type, incurred by CONTRACTOR. City agrees that Contractor may bill the City for applicable privilege license taxes which are paid for by Contractor and that the City will reimburse Contractor for privilege license taxes actually paid by Contractor. If Contractor obtains any refund of privilege license taxes paid, City will be entitled to a refund of such amounts.

4.3. **Payment.** A separate invoice shall be issued for each temporary employee for each period of work, and no payment will be issued prior to receipt of a correct invoice. Payment terms are outlined in 4.1 above.

4.4. **IRS W9 Form.** In order to receive payment CONTRACTOR shall have a current I.R.S. W9 Form on file with CITY, unless not required by law.

4.5. **Price Adjustment (Annual).** All prices offered herein shall be firm against any increase for one (1) year from the effective date of the Contract. In addition, prior to commencement of subsequent renewal terms, CITY will entertain a fully documented request for price adjustment. The requested increase shall be based upon a cost increase to CONTRACTOR that was clearly unpredictable at the time the Contract was executed directly correlated to the price of the product concerned.

4.6. **Acceptance by City.** CITY reserves the right to accept or reject the request for a price increase. If CITY approves the price increase, the price shall remain firm for the renewal term for which it was requested. If a price increase is agreed upon a written Contract Amendment must be approved and executed by the Parties.

4.7. **Price Reduction.** CONTRACTOR shall offer CITY a price reduction for its services concurrent with a published price reduction made to other customers.

5. **TERM:**

5.1. The contract term is for a **one year period, April 1, 2014 through March 31, 2015**, subject to mutually agreed upon additional successive periods of a maximum twelve months per extension with a maximum aggregate including all extensions not to exceed five years. Additionally, the contract may be extended unilaterally for a period of thirty-one days or a portion thereof.

6. **USE OF THIS CONTRACT:** The Contract is for the sole convenience of the City of Chandler. CITY reserves the rights to obtain like services from another source to secure significant cost savings or when timely completion cannot be met by CONTRACTOR.

6.1. **Cooperative Use of Contract.** In addition to the City of Chandler and with approval of the CONTRACTOR, this Contract may be extended for use by other municipalities, school districts and government agencies of the State. A current listing of eligible entities may be found at www.maricopa.gov/materials and then click on 'Contracts', 'S.A.V.E.' listing and 'ICPA'. Any such usage by other entities must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective political entity.

If required to provide services on a school district property at least five (5) times during a month, CONTRACTOR shall submit a full set of fingerprints to the school district in accordance with A.R.S. 15-512 of each person or employee who may provide such service. The District shall conduct a fingerprint check in accordance with A.R.S. 41-1750 and Public Law 92-544 of all CONTRACTORS, sub-CONTRACTORS or vendors and their employees for which fingerprints are submitted to the District. Additionally, the CONTRACTOR shall comply with the governing body fingerprinting policies of each individual school district/public entity. CONTRACTOR, sub-contractors, vendors and their employees shall not provide services on school district properties until authorized by the District.

Orders placed by other agencies and payment thereof will be the sole responsibility of that agency. The CITY shall not be responsible for any disputes arising out of transactions made by other agencies who utilize this Agreement.

6.2. **Emergency Purchases:** CITY reserves the rights to purchase from other sources those items, which are required on an emergency basis and cannot be supplied immediately by the CONTRACTOR.

7. **CITY'S CONTRACTUAL REMEDIES:**

7.1. **Right to Assurance.** If the City in good faith has reason to believe that the CONTRACTOR does not intend to, or is unable to perform or continue performing under this Contract, the Contract Administrator may demand in writing that the CONTRACTOR give a written assurance of intent to perform. Failure by the CONTRACTOR to provide written assurance within the number of Days specified in the demand may, at the City's option, be the basis for terminating the Contract in addition to any other rights and remedies provided by law or this Contract.

7.2. **Stop Work Order.** The City may, at any time, by written order to the CONTRACTOR, require the CONTRACTOR to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the City after the order is delivered to the CONTRACTOR. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the CONTRACTOR shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

7.3. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the CONTRACTOR shall resume work. The Contract Administrator shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

7.4. **Non-exclusive Remedies.** The rights and the remedies of the City under this Contract are not exclusive.

7.5. **Nonconforming Tender.** Services and materials supplied under this Contract shall fully comply with Contract requirements and specifications. Services or materials that do not fully comply constitute a breach of contract.

7.6. **Right of Offset.** The City shall be entitled to offset against any sums due CONTRACTOR, any expenses or costs incurred by the City, or damages assessed by the City concerning the CONTRACTOR'S non-conforming performance or failure to perform the Contract, including expenses to complete the work and other costs and damages incurred by CITY.

8. TERMINATION:

8.1. **Termination for Convenience:** CITY reserves the right to terminate this Agreement or any part thereof for its sole convenience with thirty (30) days written notice. In the event of such termination, CONTRACTOR shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and subCONTRACTORs to cease such work. As compensation in full for services performed to the date of such termination, the CONTRACTOR shall receive a fee for the percentage of services actually performed. This fee shall be in the amount to be mutually agreed upon by the CONTRACTOR and CITY, based on the agreed Scope of Work. If there is no mutual agreement, the Management Services Director shall determine the percentage of work performed under each task detailed in the Scope of Work and the CONTRACTOR'S compensation shall be based upon such determination and CONTRACTOR'S fee schedule included herein.

8.2. **Termination for Cause:** City may terminate this Agreement for Cause upon the occurrence of any one or more of the following events:

1) If CONTRACTOR fails to perform pursuant to the terms of this Agreement
2) If CONTRACTOR is adjudged a bankrupt or insolvent;
3) If CONTRACTOR makes a general assignment for the benefit of creditors;
4) If a trustee or receiver is appointed for CONTRACTOR or for any of CONTRACTOR'S property;
5) If CONTRACTOR files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws;
6) If CONTRACTOR disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction;
7) Where Agreement has been so terminated by CITY, the termination shall not affect any rights of CITY against CONTRACTOR then existing or which may thereafter accrue.

8.3. **Cancellation for Conflict of Interest.** Pursuant to A.R.S. § 38-511, CITY may cancel this Contract after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the City is or becomes at any time while this Contract or an extension of this Contract is in effect, an employee of or a consultant to any other party to this Contract. The cancellation shall be effective when the CONTRACTOR receives written notice of the cancellation unless the notice specifies a later time.

8.4. **Gratuities.** CITY may, by written notice, terminate this Contract, in whole or in part, if CITY determines that employment or a Gratuity was offered or made by CONTRACTOR or a representative of CONTRACTOR to any officer or employee of CITY for the purpose of influencing the outcome of the procurement or securing this Contract, an amendment to this Contract, or favorable treatment concerning this Contract, including the making of any determination or decision about contract performance. The CITY, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by CONTRACTOR.

8.5. **Suspension or Debarment.** CITY may, by written notice to the CONTRACTOR, immediately terminate this Contract if CITY determines that CONTRACTOR has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a SUBCONTRACTOR of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the CONTRACTOR is not currently suspended or debarred. If CONTRACTOR becomes suspended or debarred, CONTRACTOR shall immediately notify CITY.

8.6. **Continuation of Performance Through Termination.** The CONTRACTOR shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

8.7. **No Waiver.** Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

8.8. **Availability of Funds for the next Fiscal Year.** Funds may not presently be available under this agreement beyond the current fiscal year. No legal liability on the part of the CITY for services may arise under this agreement beyond the current fiscal year until funds are made available for performance of this agreement. The CITY may reduce services or terminate this agreement without further recourse, obligation, or penalty in the event that insufficient funds are appropriated. The City Manager shall have the sole and unfettered discretion in determining the availability of funds.

9. **FORCE MAJEURE:** Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, power failures, or earthquakes.

10. **DISPUTE RESOLUTION:**

10.1. **Arizona Law.** This Agreement shall be governed and interpreted according to the laws of the State of Arizona.

10.2. **Jurisdiction and Venue.** The parties agree that this Agreement is made in and shall be performed in Maricopa County. Any lawsuits between the Parties arising out of this Agreement shall be brought and concluded in the courts of Maricopa County in the State of Arizona, which shall have exclusive jurisdiction over such lawsuits.

10.3. **Fees and Costs.** Except as otherwise agreed by the parties, the prevailing party in any adjudicated dispute relating to this Agreement is entitled to an award of reasonable attorney's fees, expert witness fees and costs including, as applicable, arbitrator fees; provided, however, that no award of attorney's fees shall exceed ten percent (10%) of the damages awarded the prevailing party unless the non-prevailing party has been determined to have acted in bad faith or in a frivolous manner during the adjudication.

11. **INDEMNIFICATION:** To the fullest extent permitted by law, CONTRACTOR, its successors, assigns and guarantors, shall defend, indemnify and hold harmless City and any of its elected or appointed officials, officers, directors, commissioners, board members, agents or employees from and against any and all allegations, demands, claims, proceedings, suits, actions, damages, including, without limitation, property damage, environmental damages, personal injury and wrongful death claims, losses, expenses (including claim adjusting and handling expenses), penalties and fines (including, but not limited to, attorney fees, court costs, and the cost of appellate proceedings), judgments or obligations, which may be imposed upon or incurred by or asserted against the City by reason of this Agreement or the services performed or permissions granted under it, or related to, arising from or out of, or resulting from any negligent or intentional actions, acts, errors, mistakes or omissions caused in whole or part by CONTRACTOR, or any of its subcontractors, or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, relating to the discharge of any duties or the exercise of any rights or privileges arising from or incidental to this Agreement, including but not limited to, any injury or damages claimed by any of CONTRACTOR's and subcontractor's employees

11.1. CONTRACTOR, as the employer of the Assigned Temporary Workers, shall be solely responsible for compliance with all employer responsibilities and obligations under federal, state, and local employment-related laws and regulations, as now existing and as may be amended, including but not limited to the Patient Protection and Affordable Care Act (PPACA), Family and Medical Leave Act (FMLA), Americans with Disabilities Act (ADA), Fair Labor Standards Act (FLSA), Anti-Discrimination statutes, Workers' Compensation laws, and Unemployment Insurance laws as they relate to the Assigned Temporary Workers. CONTRACTOR, its successors, assigns and guarantors, shall indemnify, defend, and hold harmless the City and any of its elected or appointed officials, officers,

directors, commissioners, board members, agents and employees from any and all allegations, demands, claims, losses, penalties, damages and other liabilities (including reasonable attorneys' fees) arising from or related in any way to the obligations and requirements imposed by employment-related federal, state, and local laws and regulations as they relate to the Assigned Temporary Workers or arise from the use of such Temporary Workers by the City. The City reserves the right to employ counsel of its choosing, and to receive reimbursement by CONTRACTOR for the fees and disbursements thereof. The inclusion of this provision is for clarification purposes and is not intended to modify or limit in any way the full general indemnification provided above.

12. INSURANCE:

1. General.

A. At the same time as execution of this Agreement, the CONTRACTOR shall furnish the City of Chandler a certificate of insurance on a standard insurance industry ACORD form. The ACORD form must be issued by an insurance company authorized to transact business in the State of Arizona possessing a current A.M. Best, Inc. rating of A-7, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to CITY. Provided, however, the A.M. Best rating requirement shall not be deemed to apply to required Workers' Compensation coverage.

B. The CONTRACTOR and any of its subcontractors, subconsultants or sublicensees shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Agreement are satisfied, the insurances set forth below.

C. The insurance requirements set forth below are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement.

D. The City in no way warrants that the minimum insurance limits contained in this Agreement are sufficient to protect CONTRACTOR from liabilities that might arise out of the performance of the Agreement services under this Agreement by CONTRACTOR, its agents, representatives, employees, subcontractors, sublicensees or subconsultants and the CONTRACTOR is free to purchase any additional insurance as may be determined necessary.

E. Failure to demand evidence of full compliance with the insurance requirements in this Agreement or failure to identify any insurance deficiency will not relieve the CONTRACTOR from, nor will it be considered a waiver of its obligation to maintain the required insurance at all times during the performance of this Agreement.

F. Use of SubContractors: If any work is subcontracted in any way, the CONTRACTOR shall execute a written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements as the City requires of the CONTRACTOR in this Agreement. The CONTRACTOR is responsible for executing the Agreement with the Subcontractor and obtaining Certificates of Insurance and verifying the insurance requirements.

2. Minimum Scope And Limits Of Insurance. The CONTRACTOR shall provide coverage with limits of liability not less than those stated below.

A. *Commercial General Liability-Occurrence Form.* CONTRACTOR must maintain "occurrence" form Commercial General Liability insurance with a limit of not less than $2,000,000 for each occurrence, $4,000,000 aggregate. Said insurance must also include coverage for products and completed operations, independent contractors, personal injury and advertising injury. If any Excess insurance is utilized to fulfill the requirements of this paragraph, the Excess insurance must be "follow form" equal or broader in coverage scope than underlying insurance.

B. *Automobile Liability-Any Auto or Owned, Hired and Non-Owned Vehicles*
Vehicle Liability: CONTRACTOR must maintain Business/Automobile Liability insurance with a limit of $1,000,000 each accident on CONTRACTOR owned, hired, and non-owned vehicles assigned to or used in the performance of the CONTRACTOR's work or services under this Agreement. If any Excess or Umbrella insurance is utilized to fulfill the requirements of this paragraph, the Excess or Umbrella insurance must be "follow form" equal or broader in coverage scope than underlying insurance.

C. *Workers Compensation and Employers Liability Insurance*: CONTRACTOR must maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of CONTRACTOR employees engaged in the performance of work or services under this Agreement and must also maintain Employers' Liability insurance of not less than $1,000,000 for each accident and $1,000,000 disease for each employee.

D. *Employment Practices Liability:* CONTRACTOR must maintain employment practices liability insurance, including co-defendant coverage on behalf of the City, of not less than $2 million.

E. *Crime:* CONTRACTOR must maintain crime insurance including employee theft, forgery or alteration; client coverage; and computer and funds transfer fraud of not less than $1 million.

F. *Errors and Omissions:* CONTRACTOR must maintain errors and omissions coverage, including sexual abuse/molestation, of not less than $2 million.

3. Additional Policy Provisions Required.

A. *Self-Insured Retentions Or Deductibles.* Any self-insured retentions and deductibles must be declared and approved by the City. If not approved, the City may require that the insurer reduce or eliminate any deductible or self-insured retentions with respect to the City, its officers, officials, agents, employees, and volunteers.

B. *City as Additional Insured.* The policies are to contain, or be endorsed to contain, the following provisions:

1. The Commercial General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions: The City, its officers, officials, agents, and employees are additional insureds with respect to liability arising out of activities performed by, or on behalf of, the CONTRACTOR including the City's general supervision of the CONTRACTOR including the City's general supervision of the CONTRACTOR; and automobiles owned, leased, hired, or borrowed by the CONTRACTOR.

2. The CONTRACTOR's insurance must contain broad form contractual liability coverage and must not exclude liability arising out of explosion, collapse, or underground property damage hazards ("XCU") coverage.

3. The City, its officers, officials, agents, and employees must be additional insureds to the full limits of liability purchased by the CONTRACTOR even if those limits of liability are in excess of those required by this Agreement.

4. The CONTRACTOR's insurance coverage must be primary insurance with respect to the City, its officers, officials, agents, and employees. Any insurance or self-insurance maintained by the City, its officers, officials, agents, and employees shall be in excess of the coverage provided by the CONTRACTOR and must not contribute to it.

5. The CONTRACTOR's insurance must 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.

6. Coverage provided by the CONTRACTOR must not be limited to the liability assumed under the indemnification provisions of this Agreement.

7. The policies must contain a severability of interest clause and waiver of subrogation against the City, its officers, officials, agents, and employees, for losses arising from Work performed by the CONTRACTOR for the City.

8. The CONTRACTOR, its successors and or assigns, are required to maintain Commercial General Liability insurance as specified in this Agreement for a minimum period of 3 years following completion and acceptance of the Work. The CONTRACTOR must submit a Certificate of Insurance evidencing Commercial General Liability insurance during this 3 year period containing all the Agreement insurance requirements, including naming the City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insured as required.

9. If a Certificate of Insurance is submitted as verification of coverage, the City will reasonably rely upon the Certificate of Insurance as evidence of coverage but this acceptance and reliance will not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the required policies expire during the life of this Agreement, the CONTRACTOR must forward renewal or replacement Certificates to the City within 10 days after the renewal date containing all the necessary insurance provisions.

13. NOTICES: All notices or demands required to be given pursuant to the terms of this Agreement shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of the CITY		In the case of the CONTRACTOR	
Contract Administrator:	Purchasing Division	Firm Name:	Devau Human Resources
Contact:	Kristy Garcia	Contact:	Terry Wilkey
Mailing Address:	PO Box 4008, MS 901	Address:	720 E North Lane, Suite #1
Physical Address:	175 S Arizona Ave, 3rd Floor	City, State, Zip	Phoenix, AZ 85020
City, State, Zip	Chandler, AZ 85225	Phone:	602-314-4417
Phone:	480-782-2402	Fax:	602-314-5033
Email:	Kristy.garcia@chandleraz.gov	Email:	mail@devauhr.com

Notices shall be deemed received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail.

14. CONFLICT OF INTEREST:

14.1. No Kickback. CONTRACTOR warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no member of the City Council or any employee of the CITY has any interest, financially or otherwise, in the firm unless this interest has been declared pursuant to the provisions of A.R.S. Section 38-501. Any such interests were disclosed in CONTRACTOR'S proposal to the CITY.

14.2. Kickback Termination. CITY may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of the CITY is, at any time while the Agreement or any extension of the Agreement is in effect, an employee of any other party to the Agreement in any capacity or a CONTRACTOR to any other party to the Agreement with respect to the subject matter of the Agreement. The cancellation

shall be effective when written notice from CITY is received by all other parties, unless the notice specifies a later time (A.R.S. §38-511).

14.3. No Conflict: CONTRACTOR stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this project.

15. GENERAL TERMS:

15.1. Ownership. All deliverables and/or other products of the Contract (including but not limited to all software documentation, reports, records, summaries and other matter and materials prepared or developed by CONTRACTOR in performance of the Contract) shall be the sole, absolute and exclusive property of CITY, free from any claim or retention of right on the part of CONTRACTOR, its agents, sub-contractors, officers or employees.

15.2. Entire Agreement. This Agreement, including all Exhibits attached hereto, constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein. This Agreement may not be modified or amended except by a written document, signed by authorized representatives or each party.

15.3. Arizona Law. This Agreement shall be governed and interpreted according to the laws of the State of Arizona.

15.4. Assignment: Services covered by this Agreement shall not be assigned in whole or in part without the prior written consent of the CITY.

15.5. Amendments. The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the City in writing or made unilaterally by the CONTRACTOR are violations of the Contract. Any such changes, including unauthorized written Contract Amendments shall be void and without effect, and the CONTRACTOR shall not be entitled to any claim under this Contract based on such changes.

15.6. Independent CONTRACTOR. The CONTRACTOR under this Contract is an independent CONTRACTOR. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.

15.7. No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.

15.8. Under no circumstances shall CITY be considered the legal employer of any temporary workers placed with CITY by CONTRACTOR. Accordingly, CITY shall provide no benefits of any kind (including, but not limited to, disability, unemployment, retirement, health insurance, workers compensation insurance or other benefits) to any temporary workers assigned to CITY by the CONTRACTOR. Nor shall CITY compensate temporary workers directly for their services. CONTRACTOR shall bear full responsibility for compensating temporary workers, for providing any benefits to workers required by law, for implementing all income withholding and reporting procedures required by federal, state, and/or municipal tax laws, and for maintaining adequate workers compensation coverage as required by law.

In addition, CONTRACTOR agrees to hold CITY harmless and indemnify it for any liability, damages, assessments, penalties, judgments, attorney fees, and legal costs, that may be incurred by, or assessed against, CITY with respect to any legal or equitable claims asserted in any forum, either by a temporary worker assigned to CITY by CONTRACTOR, or arising from the acts or omissions of any temporary worker assigned to CITY by CONTRACTOR.

15.9. Authority: Each party hereby warrants and represents that it has full power and authority to enter into and perform this Agreement, and that the person signing on behalf of each has been properly authorized and empowered to enter this Agreement. Each party further acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this ___ day of _____, 2014.

FOR THE CITY OF CHANDLER

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to form:

_____
City Attorney

FOR THE CONTRACTOR

By: _____
Signature

ATTEST: If Corporation

SEAL

_____
Secretary

EXHIBIT A

Contractor Immigration Warranty
To Be Completed by Contractor Prior to Execution of Contract

A.R.S. § 41-4401 requires as a condition of your contract verification of compliance by the contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

By completing and signing this form the contractor shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

Contract Number: CS4-964-3232 Temporary Staffing Services
Name (as listed in the contract): Devau Human Resources
Street Name and Number: 720 E North Lane, Suite #1
City: Phoenix State: AZ Zip Code: 85020

I hereby attest that:

1. The contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this contract;

2. All subcontractors performing work under this contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.

Signature of Contractor (Employer) or Authorized Designee:

Printed Name: TERRY WILKEY

Title: PRESIDENT

Date (month/day/year): 02/27/2014

EXHIBIT B
SCOPE OF WORK

Contractor shall provide recruiting services and provide qualified temporary staff to fill a variety of temporary staff positions. The length of assignment will vary from one (1) day to several months.

1. CONTRACTOR shall provide temporary staffing services as required by CITY. CONTRACTOR shall provide CITY with high-quality, fully-qualified, cost-effective, temporary workers to fill positions and provide temporary services of the type required by CITY on an as-needed basis.

2. CONTRACTOR shall assign a point of contact to oversee the performance of this contract and to manage and supervise the temporary workers assigned to CITY hereunder ("Assigned Temporary Workers").

3. The Assigned Temporary Workers shall be the employees of the CONTRACTOR for all purposes and not employees of CITY. No Joint-Employment or common law employer-employee relationship is intended or created by this contract. CONTRACTOR shall be solely responsible for recruiting, interviewing, hiring, screening, assigning, re-assigning, and terminating the employment of the Assigned Temporary Workers.

4. CONTRACTOR shall provide Assigned Temporary Workers who meet all of the qualifications, including necessary training, certifications, and licenses, for the positions to be filled as described in CITY's Request for Services. CITY reserves the right to discontinue the use of an Assigned Temporary Worker if the individual's performance, conduct, or qualifications are unacceptable in any way and may or may not request CONTRACTOR to provide a replacement.

5. CITY may provide day-to-day direction and training of Assigned Temporary Workers with respect to the requirements of the positions filled by the Assigned Temporary Workers. CONTRACTOR shall retain the ultimate right to supervise, control, and discipline the Assigned Temporary Workers and to reassign an Assigned Temporary Worker to work for other projects, clients, or customers. CONTRACTOR shall take appropriate action to address in a timely manner (through disciplinary action, performance counseling, additional training, or replacement) any performance or conduct problems identified by CITY relating to the Assigned Temporary Workers. CONTRACTOR shall have sole authority to terminate the employment of an Assigned Temporary Worker assigned to CITY under this contract.

6. CONTRACTOR shall adequately screen all Assigned Temporary Workers to confirm their appropriateness for a job in a public facility, particularly when assigned to fill positions working with children and senior citizens. Screening may include, but is not limited to, background checks of criminal records through federal, state, and local agencies, drug screening (for designated positions) and reference checks. CONTRACTOR shall be responsible for the costs associated with any screenings. CONTRACTOR shall provide CITY's Human Resources Division with proof of negative drug screen results (for designated positions) taken within 30-days of assignment and report of criminal records from federal, state, and local government agencies. CITY may require fingerprinting, if deemed necessary, at CITY's expense.

7. Contractor shall require Assigned Temporary Workers to comply with all CITY rules, regulations, and policies including, but not limited to, the following:

   a. Submitting to a pre-employment drug test (for designated positions) and pre-employment background check of criminal records through federal, state, and local agencies, fingerprinting, if deemed necessary by CITY (to be provided by CONTRACTOR);
   b. Abiding by applicable CITY regulations and policies including CITY's Anti-harassment Policy;
   c. Refraining from smoking, eating, or drinking in CITY facilities, except in CITY's designated locations;

d. Reporting for duty in acceptable business attire;
e. Presenting positive identification upon reporting for duty;
f. Interacting cordially with CITY staff and the public;
g. Responding professionally to CITY's oversight staff; and
h. Parking in locations designated by CITY when reporting for duty.

8. CONTRACTOR shall be responsible for paying the Assigned Temporary Workers from CONTRACTOR's own accounts and shall be solely responsibility for all obligations associated with the payment of employees including paying, withholding, and transmitting payroll taxes, etc. CONTRACTOR shall be responsible for providing W-2 forms to the Assigned Temporary Workers.

9. CONTRACTOR shall provide unemployment insurance and workers' compensation benefits and shall be responsible for all unemployment and workers' compensation claims involving the Assigned Temporary Workers.

10. CONTRACTOR shall set the wages to be paid to the Assigned Temporary Workers. Invoices shall be submitted by CONTRACTOR to CITY every other Friday, as determined by CITY, for the previous two weeks of work. CITY shall pay CONTRACTOR on a bi-monthly basis, approximately fifteen (15) days after receipt of invoice.

11. CITY shall provide CONTRACTOR with the job description, necessary qualifications, and hours required for the position to be filled by a temporary worker. CITY will provide CONTRACTOR with a list of current wages being paid by CITY for informational purposes only.

12. CONTRACTOR shall be responsible for all advertising and recruiting costs associated with supplying temporary workers to CITY.

13. CONTRACTOR, and all employees and agents of CONTRACTOR, shall fully comply with all federal, state, and local laws applicable to the employment of the Assigned Temporary Workers and the services to be furnished.

14. CONTRACTOR shall be solely responsible for compliance with all employer obligations under federal, state, and local law including, but not limited to, the Patient Protection and Affordable Care Act (PPACA), Family and Medical Leave Act (FMLA), Americans with Disabilities Act (ADA), Fair Labor Standards Act (FLSA), Workers' Compensation laws, and Unemployment Insurance laws as they relate to the Assigned Temporary Workers.

15. CONTRACTOR shall maintain all employment-related records, including but not limited to Forms I-9 and records required by the Legal Arizona Workers' Act (LAWA), for the Assigned Temporary Workers.

16. CONTRACTOR shall maintain an office in the Metropolitan Phoenix area, preferably in the East Valley.

17. Assigned Temporary Workers must have a current, valid Driver's License in order to drive a CITY vehicle. CONTRACTOR shall be responsible for any traffic citation that an Assigned Temporary Worker receives while driving a CITY vehicle.

EXHIBIT C
PRICING

Pursuant to all the contract specifications enumerated and described in this Agreement, CONTRACTOR agrees to furnish Temporary Staff to the City of Chandler at the price(s) stated below.

Skill Classification	Recruited Markup %	Number of days to fill*
Labor & Trades	26.9%	3
Clerical / Technical	26.9%	3
Supervisory	26.9%	5
Professional	26.9%	5
Managerial	26.9%	5
Client Referral (Existing temp/repeat job/non-first time recruit)	21.9%	1
Seasonal (short-term 6-8 week period only)	26.9%	3
Other if not defined above (please list as needed)	26.9%	5

*Period of time for fulfilling each position once recruitment notice has been received.

Pricing for additional services when required by City of Chandler

Drug Testing: $ 33.00 per employee

Background Check: $ 20.00 per employee

Finger Printing: $ 30.00 per employee
With Clearance Card: $100.00

Explain Conversion rate / fee and process if applicable.

No Charge. Conversion from Temp to Permanent position with Chandler – No Charge