Chandler · Arizona
Where Values Make The Difference

PURCHASING ITEM FOR COUNCIL AGENDA

1. Agenda Item Number: 10

2. Council Meeting Date: April 14, 2016

TO: MAYOR AND COUNCIL

THROUGH: CITY MANAGER

3. Date Prepared: March 29, 2016

4. Requesting Department: Human Resources

5. SUBJECT: Agreement with The Segal Company (Western States), Inc., for Wellness Strategy Consultant Services

6. RECOMMENDATION: Staff recommends City Council approve Agreement No. HR6-918-3669, with The Segal Company (Western States), Inc., in an amount not to exceed $47,000.

7. BACKGROUND/DISCUSSION: The City established an employee wellness committee and began to develop wellness initiatives the same year the medical plan went to a self-funded financial arrangement (2011). City staff believes that engaging the services of a consultant who specializes in wellness is a critical next step to taking its wellness program to the next level. This consultant will engage employee focus groups, the Wellness Committee and management to provide input into the creation of a strategic plan which will include an assessment of the City's current wellness program, an analysis of potential future programs and identification of performance measures associated with each program. The consultant will work closely with the City's Wellness Coordinator throughout this process.

8. EVALUATION: The City contracts with The Segal Company (Western States), Inc. (Segal), for employee benefits consulting services. In this role, Segal assists with benefits plan designs, provides information and regarding legal issues impacting the City's benefits plans, reports to staff on market trends and plan performance, assists with benefits plan designs, and supports the City in the selection of and negotiations with benefits plan providers. Because of its extensive knowledge of the City's benefits offerings, plan designs, and plan performance goals, Segal is uniquely qualified to provide the wellness strategy consultant services.

9. FINANCIAL IMPLICATIONS:

Cost:	$47,000.00
Savings:	N/A
Long Term Costs:	N/A

Acct. No.:	Fund:	Program Name:	CIP Funded:	Funds:
741.1250.5219 (Approved Decision Package in 14/15)			**N/A**	

10. PROPOSED MOTION: Move City Council approve Agreement No. HR6-918-3669, with The Segal Company (Western States), Inc., in an amount not to exceed $47,000.

ATTACHMENTS: Agreement

APPROVALS

11. Requesting Department Lynna Soller Lynna Soller, Employee Benefits Manager	**13. Department Head** Debra Stapleton Debra Stapleton, Human Resources Director
12. Procurement Officer Christina Pryor, Purchasing and Materials Manager	**14. Acting City Manager** Marsha Reed Marsha Reed

CITY OF CHANDLER SERVICES AGREEMENT
WELLNESS STRATEGY CONSULTANT
AGREEMENT NO.: HR6-918-3669

THIS AGREEMENT is made and entered into this ____ day of _____, 2016, by and between the City of Chandler, a Municipal Corporation of the State of Arizona, hereinafter referred to as "City", and The Segal Company (Western States), Inc., on behalf of itself and its affiliates, 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. AGREEMENT ADMINISTRATOR:

1.1. Agreement Administrator. Contractor shall act under the authority and approval of the Human Resources Director or designee (Agreement Administrator), to provide the services required by this Agreement.

1.2. Key Staff. This Agreement has been awarded to Contractor based partially on the key personnel proposed to perform the services required herein. Contractor shall not reassign any of these key staff for work on this Agreement without prior written approval by City.

1.3. Subcontractors. During the performance of the Agreement, Contractor may engage such additional Subcontractor 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 Agreement for the performance of this Agreement without the advance written approval of City. The subcontract shall incorporate by reference the terms and conditions of this Agreement.

2. SCOPE OF WORK: Contractor shall provide wellness strategy consulting services all as more specifically set forth in Exhibit A, attached hereto and made a part hereof by reference. The City agrees to supply to the Contractor (either directly or through its agents and representatives) on a timely basis all of the data, all documentation and information reasonably needed by the Contractor to perform its services under the terms of this Agreement ("City Information"). The Contractor shall have the right to rely on the accuracy and completeness of the City Information supplied to it. The City acknowledges that Contractor's ability to complete the services within the scheduled time, and for the budgeted amount, depends on the availability and cooperation of the City's management and staff and the quality of information supplied.

2.1 Non-Discrimination. The Contractor shall comply with all 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 agreement.

2.3 Advertising, Publishing and Promotion of Agreement. The Contractor shall not use, advertise or promote information for commercial benefit concerning this Agreement 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 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, hereinafter "Contractor Immigration Warranty".

2.4.2 A breach of the Contractor Immigration Warranty shall constitute a material breach of this Agreement that is subject to penalties up to and including termination of the agreement.

2.4.3 The City retains the legal right to inspect the papers of any Contractor or Subcontractor employee who works on this Agreement 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 verification.

2.4.5 The provisions of this Article must be included in any agreement the Contractor enters into with any and all of its subcontractors who provide services under this Agreement 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.

3. ACCEPTANCE AND DOCUMENTATION: Each task shall be reviewed and approved by the Agreement 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 Agreement for a period of not less than five years after the completion of the Agreement.

3.2. Audit. At any time during the term of this Agreement 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 Agreement or Subcontract. Upon request, the Contractor shall make available at the Contractor's office during customary business hours a legible copy of any or all such records.

3.3. New/Current Products. All equipment, materials, parts and other components incorporated in the work or services performed pursuant to this Agreement shall be new, or the latest model and of the most suitable grade for the purpose intended. All work shall be performed in a skilled and workmanlike manner.

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

4. PRICE:

4.1. City shall pay Contractor the amount not to exceed $47,000.00 as set forth in Exhibit B, attached hereto and made a part hereof by reference.

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 Agreement. 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 shipment of material or service performed, and no payment will be issued prior to receipt of material and/or completion of specified services and receipt of a correct invoice. Any quantities shown are estimates only, based upon available information. Payment shall be based on actual quantities and there is no guarantee that any certain quantity shall be required by City. City reserves the right to increase or decrease the quantities actually required.

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 in Extension Terms.** All prices offered herein shall be firm against any increase for the initial term of the Agreement. Prior to commencement of subsequent renewal terms, City may approve a fully documented request for a price adjustment. The City shall determine whether any requested price increases for extension terms is acceptable to the City. 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 by the Parties a written Agreement Amendment shall be approved and executed by the Parties.

5. **TERM:**

5.1 Following execution of this Agreement by City, the Contractor shall immediately commence work and shall complete all services described herein on a schedule agreed upon between the City and the Contractor.

6. **USE OF THIS AGREEMENT:** The Agreement is for the sole convenience of the City of Chandler.

6.1. **Cooperative Use of Agreement.** In addition to the City of Chandler and with approval of the Contractor, this Agreement 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 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, subcontractors 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.

6.3 **Non-Exclusive Agreement:** This agreement is for the sole convenience of the City of Chandler. The City reserves the right to obtain like goods or services from another source when necessary.

6.4 **Exclusive Possession:** All deliverables created under this Agreement are the sole property of the City of Chandler and shall not be used or released by the Contractor or any other person except with prior written permission by the City.

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 Agreement, the Agreement 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 Agreement in addition to any other rights and remedies provided by law or this Agreement.

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 Agreement 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 Agreement Administrator shall make an equitable adjustment in the delivery schedule or Agreement price, or both, and the Agreement shall be amended in writing accordingly.

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

7.5. **Nonconforming Tender.** Services and materials supplied under this Agreement shall fully comply with Agreement requirements and specifications. The Contractor shall correct any services or materials that do not comply with such requirements and specifications.

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 Agreement that remains uncured for more than ten business days following the Contractor's receipt of written notice of non-conformance, including expenses to complete the work and other costs and damages incurred by City.

8. TERMINATION:

8.1.1 **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 or designee shall determine the percentage of work performed under each task detailed in the Scope of Work and the Contractor" compensation shall be based upon such determination and Contractor's fee schedule included herein.

8.1.2 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 and such failure remains uncured for more than ten business days following the Contractor's receipt of written notice of such failure;
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;

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 Agreement after Agreement execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of the City is or becomes at any time while this Agreement or an extension of this Agreement is in effect, an employee of or a consultant to any other party to this Agreement. 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 Agreement, 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 Agreement, an amendment to this Agreement, or favorable treatment concerning this Agreement, including the making of any determination or decision about agreement 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 Agreement 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 an agreement 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 Agreement, 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 Agreement 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.

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 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, reasonable attorney fees, and court costs), judgments or obligations, which are imposed upon or incurred by the City to the extent resulting from the willful misconduct or negligent performance 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.

The amount and type of insurance coverage requirements set forth in the Agreement will in no way be construed as limiting the scope of indemnity in this paragraph.

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 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, 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 contract 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 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. *Professional Liability.* If the Agreement is the subject of any professional services or work performed by the Contractor, or if the Contractor engages in any professional services or work adjunct or residual to performing the work under this Agreement, the Contractor must maintain Professional Liability insurance covering errors and omissions arising out of the work or services performed by the Contractor, or anyone employed by the Contractor, or anyone whose acts, mistakes, errors and omissions the Contractor is legally liable, with a liability limit of $1,000,000 each claim and $2,000,000 all claims. In the event the Professional Liability insurance policy is written on a "claims made" basis, coverage must extend for 3 years past completion and acceptance of the work or services, and the Contractor, or its selected Design Professional will submit Certificates of Insurance as evidence the required coverage is in effect. The Design Professional must annually submit Certificates of Insurance citing that the applicable coverage is in force and contains the required provisions for a 3 year period.

3. Additional Policy Provisions Required.

A. *Self-Insured Retentions Or Deductibles.* All self-insured retentions and deductibles shall be the sole responsibility of the Contractor.

B. *City as Additional Insured.* The policies, with the exception of Professional Liability, 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; Products and Completed operations 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. Coverage provided by the Contractor must not be limited to the liability assumed under the indemnification provisions of this Agreement.

6. 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.

7. 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.

8. 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 30 days after the renewal date containing all the necessary insurance provisions.

9. By signing this Agreement, the Contractor certifies it is fully aware of Insurance Requirements contained in the Agreement and assures the City of Chandler that it is able to produce the Insurance coverage required.

10. Should the Contractor become unable to produce the Insurance coverage specified within ten working days, the Contractor is fully aware and understands that it may not be considered for further projects by City of Chandler.

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.

Department:	Human Resources	Firm Name:	The Segal Company (Western States), Inc.
Contact:	Debra Stapleton	Contact:	Amy Girardo
Mailing Address:	PO Box 4008	Address:	1230 W Washington, #501
Physical Address:	175 S. Arizona Ave.	City, State, Zip	Tempe, AZ 85281
City, State, Zip	Chandler, AZ 85225	Phone:	(602) 381 4065
Phone:	(480) 782 2345	FAX:	(602) 532 7654
FAX:	(480) 782 2350		agirardo@segalco.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 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. 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.

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

15.3. Amendments. The Agreement may be modified only through a written Agreement Amendment executed by authorized persons for both parties. Changes to the Agreement, 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 Agreement. Any such changes, including unauthorized written Agreement Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Agreement based on such changes.

15.4. Independent Contractor. The Contractor under this Agreement is an independent Contractor. Neither party to this Agreement shall be deemed to be the employee or agent of the other party to the Agreement.

15.5. No Parole Evidence. This Agreement 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.

15.6. 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 _____, 2016.

FOR THE CITY OF CHANDLER		FOR THE CONTRACTOR
_____		By: Amy Fernando Signature
ATTEST:	SEAL	ATTEST: If Corporation
_____ Mayor		_____ Secretary

Approved as to form:

_____
City Attorney

EXHIBIT A
SCOPE OF WORK

I. The Consultant will provide services as described in detail below.

1. Wellness Inventory and Data Collection

a. Gather comprehensive information about available wellness services including medical, pharmacy, EAP and financial plan documents, and querying the vendors that administer these programs.

b. Converse with designated representatives of each of the City's entities and record the wellness services available through existing vendor partners.

c. Inventory and collect participation rates in the various on-site wellness programs and collect information regarding other important factors to take into consideration in development of the strategic plan document.

d. Collect relevant data, such as aggregate health risk assessment and biometric screenings results, top chr[illegible]tions, top three medical and pharmacy claim data, along with demographic data to get a clear picture of the population.

e. Outline the wellness services already offered and the array of other wellness options available by providing a gap analysis. This will show the wellness services offered to control modifiable health risk factors, for instance, weight control, exercise, stress, depression, anxiety, tobacco use, blood pressure, cholesterol and the services that may be absent or underutilized based on the needs of the population.

f. Produce a written inventory document outlining the extent of wellness programs available in each of the health plan benefits offered, along with the wellness programs that are already part of the City's current wellness efforts within three months of Notice to Proceed. Includes an assessment of wellness capabilities of the health vendors currently under contract with The City of Chandler.

2. Disease Management Inventory

a. Research the extent to which existing health programs contain services that support self-care of individuals with chronic diseases like diabetes, asthma, heart conditions, etc.

b. Produce a separate Disease Management (DM) Inventory within three months of Notice to Proceed.

3. Wellness "Stakeholder" Interviews and Focus Groups

a. Conduct a series of focus groups to:

- Glean a better understanding of the executive level's vision and commitment toward the wellness program (as best practice demonstrates senior leadership is critical to the success of any wellness initiative). Questions for these meetings will be customized to findings from the wellness inventory process.
- Based on the findings from the wellness inventory, develop tailored focus group questions to uncover how employees feel about the current programs, why they are participating, and, if not, identify potential barriers (using the wellness inventory information enhances and customizes this process);
- Become aware of the perceptions of employees regarding the current wellness/health promotion resources and opportunities for health improvement;
- Clarify the variety of needs/desires for wellness and health promotion by the City employees;
- Demonstrate the City's commitment to furthering the wellness program initiatives;
- Give employees a feeling of "having their voices heard", as well as ownership and involvement in the decision making process for their wellness program.

b. Design the focus groups using these steps:

- Planning and design of the Meeting Questionnaire instruments (2)
- Conducting the Stakeholder and Focus Group Meetings (on-site)
- Tabulating and analyzing the results with final reporting

c. Conduct a one-hour session for the Stakeholders, and six one-hour focus groups to include *some* or all of these topics:
   - **Awareness and Use of Current Wellness Resources** (e.g., knowledge of programs, engagement in and perceptions regarding programs, relevance of current programs to their current needs)
   - **Engagement Preferences/Wellness Interests** (e.g., preference for time of day, day of week for wellness initiatives, willingness to participate in wellness services, array of wellness services they might use, preference for communication by phone calls, face-to-face, or email, use of website, use of tracking tools, desire to be a worksite wellness ambassador)
   - **Barriers to Participation** - what current barriers are employees facing that are prohibiting them from engaging in the program (i.e. time, stress, financial, etc.)
   - **Perception of Wellness "Culture"**- questions regarding employee perception of the current "culture of health and wellness" will be asked to obtain information regarding non-programmatic best practices (e.g. manager, senior level support, environmental and policy supports, etc.)
   - **Incentive Preferences** (e.g., raffles, team competition, gift cards, points toward day off, etc.)
   - **Open Ended Questions** can be added if desired to allow for other suggestions and comments.

d. Format the results and prepare a report of findings within one month of the conclusion of the focus groups.

4. Wellness Strategic Plan and Initial Measurement Method

a. **Prepare a** customized, organized plan of action for the City including but not limited to these topics:
   - **Vision Statement:** Outlines what the plan is trying to accomplish long-term, in the future
   - **Mission Statement:** What will be done every day to support the vision
   - **Challenges/Barriers:** What are the challenges to meeting the vision
   - **Leadership Support:** Addresses the Wellness Program Administrator/Manager, Wellness Program Steering Committee, Wellness Ambassadors at each worksite location
   - **Branding:** Describes the look, feel, name, colors, logo for the City's wellness program
   - **Funding:** Options for funding the wellness program along with a budget
   - **Program Goals and Objectives by Month:** Calendar and timeline of events
   - **Impact Measurement:** How to know when the vision is achieved

b. Assist with setting clinical goals against which wellness program performance can be monitored and measured.

c. Work with the City and the medical vendor to establish criteria and targets for programs which can be drawn from plan-specific performance, national averages and ideal targets.

d. Meet with City staff to obtain necessary information to create a draft strategic plan for review.

e. Provide both a written and electronic strategic plan to City to allow for future customization of the plan.

f. Provide a final plan within two months of receipt of the City's final comments.

5. **Pricing of Wellness Incentives and Compliance Review**
   a. Price the financial impact of new wellness benefit enhancements or program incentives the City would like to consider adding within one month of the identification of enhancements and incentives.
   b. Perform a compliance review of any incentive programs under consideration by the City.

II. Project Management

The Consultant will provide project management services led by Amy Girardo and supported as identified below.

Wellness Services	Project Coordinated By
Wellness Inventory and Data Collection	Anne Marie Ludovici and Amy Girardo
Wellness Stakeholder Interviews and Focus Group Facilitation	Anne Marie Ludovici, Amy Girardo and Staff (Scribe)
Wellness Strategic Plan and Initial Measurement Method	Anne Marie Ludovici, Richard Ward and Amy Girardo
Pricing of Wellness Incentives and Compliance Review	Richard Ward, Amy Girardo and Joanne L. Hustead

II. City Responsibilities

The City agrees to supply to the Contractor (either directly or through its agents and representatives) on a timely basis all of the data, all documentation and information reasonably needed by the Contractor to perform its services under the terms of this Agreement ("City Information"). The Contractor shall have the right to rely on the accuracy and completeness of the City Information supplied to it. The City acknowledges that Contractor's ability to complete the services within the scheduled time, and for the budgeted amount, depends on the availability and cooperation of the City's management and staff and the quality of information supplied.

EXHIBIT B
FEE SCHEDULE

The fees below are inclusive of all costs associated with the services described in the Scope of Work.

Wellness Services per the Scope of Work	Fees
Wellness Inventory & Data Collection	$13,000
Disease Management Inventory	$1,500
Wellness Stakeholder Interviews & 6 Focus Groups (includes all pre-post preparation time): Total of 7 Groups	$12,500 (additional Focus Groups: $1,500 each)
Wellness Strategic Plan and Initial Measurement Method	$15,000
Pricing of Wellness Incentives and Compliance Review	$5,000
Maximum Total	**$47,000**

Fees will be billed after each phase of the project has been completed.

The City reserves the right to request additional, closely related services on an as-needed, if-needed basis. Fees for services in addition to the Scope of Work will be agreed upon between the City and the Consultant prior to the commencement of work.