

AGREEMENT FOR CONSULTING SERVICES

This Agreement for Consulting Services (“Agreement”) is made and entered into in the State of Oklahoma, this _____ day of January, 2020, by and between the City of Norman, a municipal corporation (“City”), and Johanson Consulting Inc. dba Johanson Group (“Consultant”).

WHEREAS, City desires to hire Consultant to perform certain consulting services specified herein; and

WHEREAS, Consultant represents that Consultant and/or Consultant’s personnel have the qualifications and experience to properly perform such services:

NOW, THEREFORE, City and Consultant hereby agree as follows:

1. Scope of Services

Consultant shall furnish City with professional consulting services as more particularly set forth in Exhibit A (Scope of Services) attached hereto and incorporated by this reference in full herein.

2. Method of Performing Services

Subject to the terms and conditions of this Agreement, Consultant may determine the method, details, and means of performing the services described herein.

3. Standard of Performance

Consultant agrees to undertake and complete these services to conclusion, using that standard of care, skill, and diligence normally provided by a professional person in performance of similar consulting services.

4. Nonexclusive Services

This Agreement shall not be interpreted to prevent or preclude Consultant from rendering any services for Consultant’s own account or to any other person or entity as Consultant in its sole discretion shall determine. Consultant agrees that performing such services will not materially interfere with services to be performed for the City.

5. Coordination of Services

All services are to be coordinated with the Director of Human Resources, subject to the direction of the City Manager.

6. Place of Work

Consultant shall perform the services provided for in this Agreement at any place or location and at such times as the Consultant shall determine.

7. Correction of Errors

Consultant agrees to correct, at its expense, all errors which may be discovered during review of Consultant's services. Should Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by City, and the cost thereof shall be paid by Consultant.

8. Time for Performance

All services performed under this Agreement shall be completed pursuant to the schedule provided in Exhibit B (Schedule of Services) attached hereto and incorporated by this reference in full herein. City agrees to amend the performance termination date whenever Consultant is delayed by action or inaction of City and Consultant promptly notifies Manager of such delays.

9. Principal in Charge

Consultant hereby designates Blair Johanson, Lead Consultant, as its principal-in-charge and person responsible for necessary coordination with the Director of Human Resources.

10. Permits, Licenses, Certificates

Consultant, at Consultant's sole expense, shall obtain and maintain during the term of this Agreement, all permits, licenses, and certificates required in connection with the performance of services under this Agreement, including a City business tax certificate.

11. City's Responsibility

City shall cooperate with Consultant as may be reasonably necessary for Consultant to perform its services and agrees to provide direction to Consultant as requested regarding particular project requirements.

12. Term of Agreement

This Agreement shall be effective upon execution by all parties. The Professional Services outlined in Paragraph 14 herein shall be completed within 180 days of the Consultant's receipt of a Notice to Proceed from the City. Software Services shall be provided for as many as two years, subject to future appropriation by the City (*see also* Paragraph 17).

13. Termination

a. This Agreement may be terminated by the City if the City notifies the Consultant, in writing, of the City's desire to terminate the Agreement. Such termination shall be effective ten calendar days from the date of mailing of such notice. City agrees to pay Consultant in full for all amounts due Consultant as of the effective date of termination, including any expenditures incurred on City's behalf, whether for the employment of third parties or otherwise.

b. This Agreement may be terminated by Consultant if Consultant notifies the City Manager, in writing, of Consultant's desire to terminate the Agreement. Such termination shall be effective ten calendar days from the date of delivery or mailing of such notice and only if all assignments accepted by Consultant have been completed prior to the date of termination.

14. Compensation

- a. City agrees to pay Consultant (in an amount not to exceed \$69,200 total), for services provided under this Agreement as outlined below:

Professional Services Fees (Fixed):

Compensation Review/Analysis and Job Descriptions/Job Ratings	\$ 22,500
Market Salary and Benefits Study Fees (Jan -Feb, 2020)	\$ 10,000
Salary Administration and Recommendations	\$ 10,900
Implementation and Action Plan	\$ 5,000
Estimated Travel Expenses (4 - 5) trips to Norman, OK	\$ <u>1,600</u>
	\$ 50,000

Software Services Licensing Fees (Monthly for Up to 2 yrs)

DBC Compensation Software License Fee	\$ 800/mo
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b. The acceptance by Consultant of the final payment made under this Agreement shall constitute a release of City from all claims and liabilities for compensation to Consultant for anything completed, finished or relating to Consultant's services.

c. Consultant agrees that payment by City shall not constitute nor be deemed a release of the responsibility and liability of Consultant or its employees, subcontractors, agents and sub-consultants for the accuracy and competency of the information provided and/or services performed hereunder, nor shall such payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the services performed by Consultant, its employees, subcontractors, agents and sub-consultants.

d. Consultant shall provide the Human Resources Director with a completed Request for Taxpayer Identification Number and Certification, as issued by the Internal Revenue Service.

e. If any sales tax is due for services performed by Consultant or materials or products provided to City by Consultant, Consultant shall pay the sales tax. City shall not reimburse Consultant for sales taxes paid by Consultant.

15. Method of Payment

a. City agrees to pay Consultant monthly upon satisfactory completion of the services and upon submission by Consultant of an invoice delineating the services performed, in a form satisfactory to the Human Resources Director. The invoice shall identify services by project as specified by the Human Resources Director.

b. Consultant agrees to maintain current monthly records, books, documents, papers, accounts and other evidence pertaining to the services performed and costs incurred. Such items shall be adequate to reflect the time involved and cost of performing the services. Consultant shall provide the Human Resources Director with copies of payroll distribution, receipted bills and other documents requested for justification of the invoice.

16. Responsibility for Expenses

Except as otherwise expressly provided in this Agreement, City shall not be responsible for expenses incurred by Consultant in performing services under this Agreement. All expenses incident to the performance of services under this Agreement shall be borne by the Consultant, including, but not limited to rent, vehicle, and travel, entertainment and promotion, general liability and health insurance, workers' compensation insurance, and all compensation and benefits of employees or agents engaged by Consultant. Consultant shall, at its own cost and expense, supply all personal property necessary or appropriate to perform the services provided for under this Agreement, including, but not limited to any personal property used by employees and agents of Consultant in the performance of such services.

17. Non-Appropriation of Funds

Payments to be made to Consultant by City for services performed within the current fiscal year are within the current fiscal budget and within an available, unexhausted and unencumbered appropriation of City. In the event City does not appropriate sufficient funds for payment of Consultant's services beyond the current fiscal year, this Agreement shall cover payment for Consultant's services only up to the conclusion of the last fiscal year in which City appropriates sufficient funds and shall automatically terminate at the conclusion of such fiscal year.

18. Records

a. Consultant agrees that all final computations, exhibits, files, plans, correspondence, reports, drawings, designs, data and photographs expressly required to be prepared by Consultant as part of the scope of services ("documents and materials") shall be the exclusive property of City and shall, upon completion of the services or termination of this Agreement, be delivered to Manager.

b. At City's request, City shall be entitled to immediate possession of, and Consultant shall furnish to Manager within ten days, all of the documents and materials. Consultant may retain copies of these documents and materials.

c. Any substantive modification of the documents and materials by City staff or any use of the completed documents and materials for other City projects, or any use of uncompleted documents and materials, without the written consent of Consultant, shall be at City's sole risk and without liability or legal exposure to Consultant. City agrees to hold Consultant harmless from all damages, claims, expenses and losses arising out of any reuse of the documents and materials for purposes other than those described in this Agreement, unless Consultant consents in writing to such reuse.

19. Maintenance and Inspection of Records

Consultant agrees that City or its auditors shall have access to and the right to audit and reproduce any of Consultant's relevant records to ensure that City is receiving all services to which City is entitled under this Agreement or for other purposes relating to the Agreement. Consultant shall maintain and preserve all such records for a period of at least three years after the expiration of this Agreement, or until an audit has been completed and accepted by City. Consultant agrees to maintain all such records in City or to promptly reimburse City for all reasonable costs incurred in

conducting the audit at a location other than in City, including but not limited to expenses for personnel, salaries, private auditor, travel, lodging, meals and overhead.

20. Confidentiality of Information

Any documents and materials given to or prepared or assembled by Consultant under this Agreement shall be confidential and shall not be made available to any third person or organization by Consultant without prior written approval of the City Manager.

21. Indemnity

Consultant agrees to indemnify, hold harmless and defend City, its City Council, and each member thereof, and every officer, employee, representative or agent of City, from any and all liability, claims, demands, actions, damages (whether in contract or tort, including personal injury, death at any time, or property damage), costs and financial loss, including all costs and expenses and fees of litigation or arbitration, that arise directly or indirectly from any acts or omissions related to this Agreement performed by Consultant or its agents, employees, sub-consultants, subcontractors, consultants and other persons acting on Consultant's behalf. This agreement to indemnify, hold harmless and defend shall apply whether such acts or omissions are the product of active negligence, passive negligence, or acts for which Consultant or its agents, employees, sub-consultants, subcontractors, consultants and other persons acting on Consultant's behalf would be held strictly liable.

22. Independent Contractor

a. City and Consultant agree that in the performance of the services, Consultant shall be, and is, an independent contractor, and that Consultant and its employees are not employees of City. Consultant has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons assisting Consultant.

b. Consultant shall be solely responsible for, and shall save City harmless from, all matters relating to the payment of Consultant's employees, agents, subcontractors and sub-consultants, including compliance with social security requirements, federal and State income tax withholding and all other regulations governing employer-employee relations.

c. Consultant acknowledges that Consultant and Consultant's employees are not entitled to receive from City any of the benefits or rights afforded employees of City, including but not limited to reserve leave, sick leave, vacation leave, holiday leave, compensatory leave, Employees Retirement System benefits, or health, life, dental, long-term disability and workers' compensation insurance benefits.

23. Consultant Not Agent

Except as Manager may specify in writing, Consultant, and its agents, employees, subcontractors and sub-consultants shall have no authority, expressed or implied, to act on behalf of City in any capacity, as agents or otherwise, or to bind City to any obligation.

25. Assignability of Agreement

Consultant agrees that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's personnel's unique competence, experience and specialized personal knowledge. Assignments of any or all rights, duties, or obligations of Consultant under this Agreement will be permitted only with the express written consent of the City, which consent may be withheld for any reason.

26. Successors and Assigns

Consultant and City agree that this Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of Consultant and City.

27. Fair Employment Practices

a. Consultant agrees that all persons employed by Consultant shall be treated equally by Consultant without regard to or because of race, color, religion, ancestry, national origin, age, place of birth, disability, sex, sexual orientation, gender identity or expression, familial status, or marital status, including marriage to a person of the sex, or any other status protected by law, and in compliance with all antidiscrimination laws of the United States of America, the State of Oklahoma, and City (per the terms set forth in the Certificate of Nondiscrimination, attached hereto as Exhibit C).

b. Consultant agrees that, during the performance of this Agreement, Consultant and any other parties with whom Consultant may subcontract shall adhere to equal opportunity employment practices to assure that applicants and employees are treated equally and are not discriminated against because of their race, color, religion, ancestry, national origin, age, place of birth, disability, sex, sexual orientation, gender identity or expression, familial status, or marital status, including marriage to a person of the same sex, or any other status protected by law. *See also* Exhibit C.

c. Consultant agrees to state in all of its solicitations or advertisements for applicants for employment that all qualified applicants shall receive consideration for employment without regard to their race, color, religion, ancestry, national origin, age, place of birth, disability, sex, sexual orientation, gender identity or expression, familial status, or marital status, including marriage to a person of the same sex, or any other status protected by law. *See also* Exhibit C.

d. Consultant shall provide City staff with access to and, upon request by City, provide copies to City of all of Consultant's records pertaining or relating to Consultant's employment practices, to the extent such records are not confidential or privileged under State or federal law.

28. Force Majeure

Consultant and City agree that neither City nor Consultant shall be responsible for delays or failures in performance resulting from acts beyond the control of either party. Such acts shall include, but not be limited to acts of God, strikes, lockouts, riots, acts of war, epidemics, governmental regulations imposed after this Agreement was executed, fire, communication line failures, earthquakes, or other disasters.

29. Time of Essence

Consultant and City agree that time is of the essence in regard to performance of any of the terms and conditions of this Agreement.

30. Covenants and Conditions

Consultant and City agree that each term and each provision of this Agreement to be performed by Consultant shall be construed to be both a covenant and a condition.

31. Governing Law

City and Consultant agree that the construction and interpretation of this Agreement and the rights and duties of City and Consultant hereunder shall be governed by the laws of the State of Oklahoma.

32. Compliance with Laws

Consultant agrees to comply with all City, State, and federal laws, rules, and regulations, now or hereafter in force, pertaining to the services performed by Consultant pursuant to this Agreement.

33. Severability

City and Consultant agree that the invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision.

34. Waiver

City and Consultant agree that no waiver of a breach of any provision of this Agreement by either Consultant or City shall constitute a waiver of any other breach of the same provision or any other provision of this Agreement. Failure of either City or Consultant to enforce at any time, or from time to time, any provision of this Agreement, shall not be construed as a waiver of such provision or breach.

35. Counterparts

City and Consultant agree that this Agreement may be executed in two or more counterparts, each of which shall be deemed an original.

36. Arbitration or Litigation

Consultant and City agree that in the event of any dispute with regard to the provisions of this Agreement, the services rendered or the amount of Consultant's compensation, the dispute may be submitted to arbitration upon the mutual agreement of the parties, under such procedures as the parties may agree upon, or, if the parties cannot agree, then under the Rules of the American Arbitration Association. If the mutual agreement as to arbitration does not exist, then either party may institute a civil action in the Oklahoma District Court located in and for Cleveland County, Oklahoma.

38. Authority to Execute

a. City acknowledges that the person executing this Agreement has been duly authorized by the City Council to do so on behalf of City.

b. Consultant acknowledges that the person executing this Agreement has been duly authorized by Consultant to do so on behalf of Consultant.

39. Notices

a. Any notices to Consultant may be delivered personally or by mail addressed to Johanson Consulting Inc. dba Johanson Group, 2928 N. McKee Circle, Suite 123, Fayetteville, AR 72703, Attention: Blair Johanson, Principal-in-Charge.

b. Any notices to City may be delivered personally or by mail addressed to City of Norman, 201 W. Gray, Bldg. C, Norman, Oklahoma 73070, Attention: Director of Human Resources.

40. Amendment

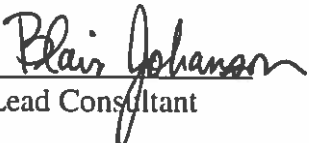
City and Consultant agree that the terms and conditions of the Agreement may be reviewed or modified at any time. Any modifications to this Agreement, however, shall be effective only when agreed upon to in writing by both the City representative authorized to do so under the City's purchasing policies and Consultant.

41. Entire Agreement

City and consultant agree that this Agreement constitutes the entire agreement of the parties regarding the subject matter described herein and supersedes all prior communications, agreements and promises, either oral or written.

CITY OF NORMAN

Mayor Breea Clark

CONSULTANT 

Blair Johanson, Lead Consultant

ATTEST:

City Clerk

APPROVED AS TO LEGALITY/FORM:

Office of the City Attorney

EXHIBIT A

SCOPE OF SERVICES

PURPOSE

The intent of this Request for Proposal (RFP) is to obtain firm fixed price proposals from qualified firms to conduct an employee compensation and classification study and prepare a comparative analysis that identifies the City of Norman's competitive position in the labor market. Responding firms should have significant experience conducting salary surveys and comparative analyses, preferably involving public employers.

BACKGROUND

Norman operates under the council-manager form of government. There are currently thirteen departments: City Manager, City Attorney, City Clerk, Finance, Fire, Human Resources, Information Technology, Municipal Court, Parks and Recreation, Planning and Community Development, Police, Public Works and Utilities.

This study will include all positions which is approximately 886 budgeted full-time and permanent part-time. There are 226 job classifications.

There are five salary structures that need to be analyzed. Current copies of the pay plans are included as Attachment No. 2A. A summary of the general details of each salary structure are presented in the following table:

Group	Title	No. of Pay Ranges	Min. to Max Spread (approx.)	Steps	Spread Between Steps (approx.)
Non-Union	Confidential Employees	17	42%	11	4%
AFSCME	American Federation of State, County and Municipal Employees	11	43%	11	4%
Executive	Department Directors	7	42%	11	4%
FOP	Fraternal Order of Police	7	46%	11	4%
IAFF	International Assoc. of Firefighters	10	45%	11	4%

A thorough compensation and classification study and analysis should indicate the City's current position and its ability now and in the future to recruit and retain talented employees to provide quality services to the City of Norman. It is expected that the study will indicate what actions should be taken, if any, to avoid loss of qualified staff and difficulties in recruiting new employees for City employment, while competitively compensating its current employees.

SCOPE OF SERVICES

The City of Norman invites your firm to submit a written proposal to provide a comprehensive Classification and Compensation Study covering the City's current classification structure (see Attachment B for a list of current classification titles and the number of job incumbents). The project consists of furnishing all labor, materials, equipment, tools, supervision, and travel necessary to complete the following:

Classification Plan

- Meet with designated City staff members to confirm the scope of services, methodology, project time lines, and the other project deliverables.
- Develop a classification system that reflects the City of Norman's overall classification and compensation strategy and includes the clear definition of terms and the development of career ladders for full-time classifications and, in some cases, designated part-time classifications. This includes development and use of a job evaluation system.
- Review the background materials including organizational charts, budgets, personnel rules and regulations, and related information.
- Conduct orientation and briefing session(s) with employees, supervisors, managers, and department heads.
- Design an appropriate job questionnaire for distribution to employees. The form should be available in both hard-copy and in electronic format.
- Upon receipt of completed questionnaires, conduct interviews with a representative sample of employees and appropriate supervisory and management personnel to confirm content accuracy and resolve inconsistencies.
- Allocate all employees included within the scope of the study to an appropriate job title, job class, and FLSA exempt/non-exempt designation.
- Review current job classification specifications (job descriptions) for each classification to insure they reflect appropriate FLSA category, basic functions, typical duties, minimum qualifications including education and experience, including physical requirements and essential functions in compliance with ADA and use accepted professional techniques to validate these job requirements.
- Prepare manuals describing the process to be used to maintain the classification system including the evaluation of new or modified classifications. This includes development of all forms necessary to collect and maintain the classification system. Train Human Resources staff in the ongoing use and maintenance of the classification system.
- Schedule and attend meetings with City administration and committees, including but not limited to the City Manager, department heads, labor representatives, and the City Council.

Compensation Plan

- Meet with designated staff members to confirm the scope of services, methodology, project time lines, and the other project deliverables.
- The Consultant will perform an extensive salary and benefits study that compares the City of Norman with other local government providers, other regional cities, and where applicable, public, and private sector competition in the local area.
- The FOP and IAFF uniformed positions will be excluded from the internal job valuing process based on existing FOP and IAFF bargaining agreement pay structures. The Consultant will complete a market pay step range minimums and maximums study for FOP and IAFF positions to determine competitiveness of the City's current FOP and IAFF pay grade step structures.
- Identify survey labor market and survey (benchmark) classes used for market analysis.
- Develop recommendations for inclusion of comparator jurisdictions in the employer survey universe based on object criteria. The number of comparators shall be determined by the consultant after consultation with the City, and shall be sufficient in number in order to develop a valid compensation structure.
- Conduct a comprehensive salary and benefits survey of recommended employers. Most data will be from a custom survey, but data from reputable published salary surveys can also be used. The consultant will recommend the compensation elements to be included in the survey after consulting with the City.
- Complete internal salary relationship analysis, including the development of appropriate internal relationship guidelines.
- Develop externally competitive and internally equitable salary recommendations for each class included within the study in order to maintain appropriate competitive positions in relation to comparator employers.
- Assign a salary range to each classification which reflects the results of the market survey and the analysis of internal relationships.
- Present survey results to the City Manager and other management staff as directed for discussion and decision on overall pay philosophy and the feasibility of acceptance.
- Recommend appropriate premium pay options that are supported by the market survey to supplement the compensation plan. Examples may include pay for certifications, professional licenses, special skills, temporary "acting" assignment at higher level duties.
- Review the current benefits packages for all employee groups and offer advice on missing components or components that are not supported by the market survey.
- Assist in the development of a strategy for implementing pay and compensation recommendations and delineate necessary components in the implementation process.

- Provide an implementation plan and cost estimates.
- Present data-driven rationale for recommendations in written report, and present findings in report form to the City Manager and the City Council.
- Develop a comprehensive employee communications plan to explain the process and final recommendations, including provisions for response to individual questions.
- Develop a manual that includes all of the policy recommendations for the administration and maintenance of the compensation system.
- Provide training to Human Resources staff on the utilization and maintenance of the system.
- Schedule and attend meetings with City administration and committees, including but not limited to the City Manager, department heads, labor representatives, and the City Council.

EXHIBIT B

SCHEDULE OF SERVICES

January 15, 2020 (180 Days) June, 13, 2020

PROGRAM	<u>Start</u>	<u>Completion</u>				
	January	February	March	April	May	June
Review of Current Classification and Compensation Plans and Related Documents – Project Scope of Services and Methodology Kick Off Meetings	////////					
Review of Current Job Descriptions Transfer of City’s Job Descriptions into DB Compensation Software Database	//////					
Development of New Job Descriptions	////////					
Job Description Review Sessions with Employees and Supervisors		////////				
Job Rating Training		///				
Rating of Jobs		////////				
Job ratings fine-tuning session (Reviewing job ratings)			///			
Conduct Salary and Benefits Survey			////////			
Compile and review survey data				//////		
Prepare Comparison Initial Reports Recommendations for Implementation of a Revised Pay Structure, Evaluate Internal Pay Equity and External Pay Competitiveness					//////////	
Finalize Reports and Communicate Results to the City of Norman Leadership Team						////////
Present Salary Administration Policy and Procedures and Final Report to the Norman City Council						///

EXHIBIT C

CERTIFICATE OF NONDISCRIMINATION

In connection with the performance of work under this agreement, the consultant agrees as follows:

A. The Consultant agrees not to discriminate against any employee or applicant for employment because of race, color, religion, ancestry, national origin, age, place of birth, disability, sex, sexual orientation, gender identity or expression, familial status, or marital status, including marriage to a person of the same sex. The Consultant shall take affirmative action to ensure that employees are treated without regard to their race, color, religion, ancestry, national origin, age, place of birth, disability, sex, sexual orientation, gender identity or expression, familial status, or marital status, including marriage to a person of the same sex. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruiting or recruitment, advertising, lay-off, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Consultant and Subcontractor shall agree to post in a conspicuous place, available to employees and applicants for employment, notices to be provided by the City Clerk of the City of Norman setting forth the provisions in this section.

B. In the event of the Consultant is noncompliance with this nondiscrimination clause, the contract may be canceled or terminated by the City Council. The Consultant may be declared by the City Council ineligible for further contracts with the said agency until satisfactory proof of intent to comply shall be made by the Consultant.

C. The Consultant agrees to include this nondiscrimination clause in any subcontracts connected with the performance of this agreement.

I have read the above stated clauses and agree to abide by their requirements.


Blair Johanson, Consultant

12-20-2019
Date

ATTEST:

 CONSULTANT

Name and Title

12-20-2019
Date