

**AGREEMENT FOR PROFESSIONAL SERVICES  
BENEFIT VALUATION CONSULTANT  
Gallagher Benefit Services, Inc.**

**THIS AGREEMENT FOR PROFESSIONAL SERVICES** is made this 1st day of January, 2021, and entered into by and between the City of Meridian, a municipal corporation organized under the laws of the State of Idaho, hereinafter referred to as "CITY", 33 East Broadway Avenue, Meridian, Idaho 83642, and Gallagher Benefit Services, Inc., hereinafter referred to as "CONSULTANT", whose business address is 13965 W. Chinden Blvd., Suite 300, Boise, ID 83713.

**INTRODUCTION**

Whereas, the City has a need for services involving Benefit Brokerage Services; and

WHEREAS, the Consultant is specially trained, experienced and competent to perform and has agreed to provide such services;

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms and conditions hereinafter contained, the parties agree as follows:

**TERMS AND CONDITIONS**

**1. Scope of Services:**

1.1 CONSULTANT shall perform and furnish to the City upon execution of this Agreement and receipt of the City's written notice to proceed, all services, and comply in all respects, as specified in the document titled "Scope of Services" a copy of which is attached hereto as Attachment "A" and incorporated herein by this reference, together with any amendments that may be agreed to in writing by the parties.

1.2 All documents, drawings and written work product prepared or produced by the Consultant under this Agreement, including without limitation electronic data files, are the property of the Consultant; provided, however, the City shall have the right to reproduce, publish and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Consultant may copyright the same, except that, as to any work which is copyrighted by the Consultant, the City reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish and use such work, or any part thereof, and to authorize others to do so.

1.3 The Consultant shall provide services and work under this Agreement consistent with the requirements and standards established by applicable federal,

state and city laws, ordinances, regulations and resolutions. The Consultant represents and warrants that it will perform its work in accordance with generally accepted industry standards and practices for the profession or professions that are used in performance of this Agreement and that are in effect at the time of performance of this Agreement. Except for that representation and any representations made or contained in any proposal submitted by the Consultant and any reports or opinions prepared or issued as part of the work performed by the Consultant under this Agreement, Consultant makes no other warranties, either express or implied, as part of this Agreement.

1.4 Services and work provide by the consultant at the City's request under this Agreement will be performed in a timely manner in accordance with a Schedule of Work, which the parties hereto shall agree to. The Schedule of Work may be revised from time to time upon mutual written consent of the parties.

## 2. **Consideration**

2.1 The Consultant shall be compensated as provided in Attachment B "Payment Schedule" attached hereto and by reference made a part hereof for the Not-to-Exceed amount of **\$65,000 per year (\$5416.67 per month)**. **The compensation to Consultant shall not exceed the City's annual budget for such services.**

2.2 The Consultant shall provide the City with a monthly statement, as services warrant, of fees earned and costs incurred for services provided during the billing period, which the City will pay within 30 days of receipt of a correct invoice and approval by the City. The City will not withhold any Federal or State income taxes or Social Security Tax from any payment made by City to Consultant under the terms and conditions of this Agreement. Payment of all taxes and other assessments on such sums is the sole responsibility of Consultant.

2.3 Except as expressly provided in this Agreement, Consultant shall not be entitled to receive from the City any additional consideration, compensation, salary, wages, or other type of remuneration for services rendered under this Agreement., including, but not limited to, meals, lodging, transportation, drawings, renderings or mockups. Specifically, Consultant shall not be entitled by virtue of this Agreement to consideration in the form of overtime, health insurance benefits, retirement benefits, paid holidays or other paid leaves of absence of any type or kind whatsoever.

## 3. **Time of Performance:**

This agreement shall become effective on January 1, 2021 and shall expire on September 30, 2026. Continuation of this contract beyond the current fiscal year is subject to appropriation of funds for such purpose by City Council

4. **Independent Contractor:**

4.1 In all matters pertaining to this agreement, CONSULTANT shall be acting as an independent contractor, and neither CONSULTANT nor any officer, employee or agent of CONSULTANT will be deemed an employee of CITY. Except as expressly provided in Attachment A, Consultant has no authority or responsibility to exercise any rights or power vested in the City. The selection and designation of the personnel of the CITY in the performance of this agreement shall be made by the CITY.

4.2 Consultant shall determine the method, details and means of performing the work and services to be provided by Consultant under this Agreement. Consultant shall be responsible to City only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to City's control with respect to the physical action or activities of Consultant in fulfillment of this Agreement.

5. **Indemnification and Insurance:**

CONSULTANT shall indemnify and save and hold harmless CITY from and for any and all losses, claims, actions, judgments for damages, or injury to persons or property and losses and expenses and other costs including litigation costs and attorney's fees, to the extent caused or arising from, wrongful conduct or negligent acts and/or errors or omissions under this Agreement by the CONSULTANT, its servants, agents, officers, employees, guests, and business invitees, and not caused by or arising out of the tortious conduct or negligence of CITY or its employees. CONSULTANT shall maintain, and specifically agrees that it will maintain, throughout the term of this Agreement, liability insurance in the minimum amounts as follow: General Liability One Million Dollars (\$1,000,000) per incident or occurrence, Professional Liability / Professional errors and omissions One Million Dollars (\$1,000,000) aggregate, and Workers' Compensation Insurance, in the statutory limits as required by law. The CITY shall be named an additional insured on the General Liability policy. The aggregate liability under this Agreement, if any, of either party to the other for claimed losses or damages shall not exceed \$1,000,000. This provision applies to the fullest extent permitted by applicable law. CONSULTANT shall provide CITY with a Certificate of Insurance, or other proof of insurance evidencing CONSULTANT'S compliance with the requirements of this paragraph and file such proof of insurance with the CITY at least ten (10) days prior to the date CONSULTANT begins performance of its obligations under this Agreement. In the event the insurance minimums are changed, CONSULTANT shall immediately submit proof of compliance with the changed limits. Evidence of all insurance shall be submitted to the City Purchasing Agent with a copy to Meridian City Accounting, 33 East Broadway Avenue, Meridian, Idaho 83642.

6. **Notices:** Any and all notices required to be given by either of the parties hereto, unless otherwise stated in this agreement, shall be in writing and be deemed

communicated when mailed in the United States mail, certified, return receipt requested, addressed as follows:

**CITY**

City of Meridian  
Purchasing Manager  
33 E Broadway Ave  
Meridian, ID 83642  
208-888-4433  
Email: kwatts@meridiacity.org

**CONSULTANT**

Gallagher Benefit Services, LLC  
Attn: Charlie Isaacs, Area President  
13965 W. Chinden Blvd., Suite 300  
Boise, ID 83713  
Phone: 208-336-8666  
Email: charlie\_isaacs@ajg.com

Either party may change their address for the purpose of this paragraph by giving written notice of such change to the other in the manner herein provided.

7. **Attorney Fees:** Should any litigation be commenced between the parties hereto concerning this Agreement, the prevailing party shall be entitled, in addition to any other relief as may be granted, to court costs and reasonable attorneys' fees as determined by a Court of competent jurisdiction. This provision shall be deemed to be a separate contract between the parties and shall survive any default, termination or forfeiture of this Agreement.
8. **Time is of the Essence:** The parties hereto acknowledge and agree that time is strictly of the essence with respect to each and every term, condition and provision hereof, and that the failure to timely perform any of the obligations hereunder shall constitute a breach of, and a default under, this Agreement by the party so failing to perform.
9. **Assignment:** It is expressly agreed and understood by the parties hereto, that CONSULTANT shall not have the right to assign, transfer, hypothecate or sell any of its rights under this Agreement except upon the prior express written consent of CITY.
10. **Discrimination Prohibited:** In performing the Services required herein, CONSULTANT shall not unlawfully discriminate in violation of any federal, state or local law, rule or regulation against any person on the basis of race, color, religion, sex, national origin or ancestry, age or disability.
11. **Reports and Information:**
  - 11.1 At such times and in such forms as the CITY may require, there shall be furnished to the CITY such statements, records, reports, data and information as the CITY may request pertaining to matters covered by this Agreement.

11.2 Consultant shall maintain all writings, documents and records prepared or compiled in connection with the performance of this Agreement for a minimum of four (4) years from the termination or completion of this or Agreement. This includes any handwriting, typewriting, printing, photo static, photographic and every other means of recording upon any tangible thing, any form of communication or representation including letters, words, pictures, sounds or symbols or any combination thereof.

12. **Audits and Inspections:** At any time during normal business hours and as often as the CITY may deem necessary, there shall be made available to the CITY for examination all of CONSULTANT'S records with respect to all matters covered by this Agreement. CONSULTANT shall permit the CITY to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement.
13. **Publication, Reproduction and Use of Material:** No material produced in whole or in part under this Agreement shall be subject to copyright in the United States or in any other country. The CITY shall have unrestricted authority to publish, disclose and otherwise use, in whole or in part, any reports, data or other materials prepared under this Agreement.
14. **Compliance with Laws:** In performing the scope of services required hereunder, CONSULTANT shall comply with all applicable laws, ordinances, and codes of Federal, State, and local governments.
15. **Changes:** The CITY may, from time to time, request changes in the Scope of Services to be performed hereunder. Such changes, including any increase or decrease in the amount of CONSULTANT'S compensation, which are mutually agreed upon by and between the CITY and CONSULTANT, shall be incorporated in written amendments to this Agreement.
16. **Termination:** If, through any cause, CONSULTANT, its officers, employees, or agents fails to fulfill in a timely and proper manner its obligations under this Agreement, violates any of the covenants, agreements, or stipulations of this Agreement, falsifies any record or document required to be prepared under this agreement, engages in fraud, dishonesty, or any other act of misconduct in the performance of this contract, or if the City Council determines that termination of this Agreement is in the best interest of CITY, the CITY shall thereupon have the right to terminate this Agreement, in part or in its entirety, by giving written notice to CONSULTANT of such termination and specifying the effective date thereof at least fifteen (15) days before the effective date of such termination. CONSULTANT may terminate this agreement at any time by giving at least sixty (60) days notice to CITY.

In the event of any termination of this Agreement, all finished or unfinished documents, data, and reports prepared by CONSULTANT under this Agreement

shall, at the option of the CITY, become its property, and CONSULTANT shall be entitled to receive just and equitable compensation for any work satisfactorily complete hereunder.

Notwithstanding the above, CONSULTANT shall not be relieved of liability to the CITY for damages sustained by the CITY by virtue of any breach of this Agreement by CONSULTANT, and the CITY may withhold any payments to CONSULTANT for the purposes of set-off until such time as the exact amount of damages due the CITY from CONSULTANT is determined. This provision shall survive the termination of this agreement and shall not relieve CONSULTANT of its liability to the CITY for damages.


17. **Construction and Severability:** If any part of this Agreement is held to be invalid or unenforceable, such holding will not affect the validity or enforceability of any other part of this Agreement so long as the remainder of the Agreement is reasonably capable of completion.
18. **Advice of Attorney:** Each party warrants and represents that in executing this Agreement. It has received independent legal advice from its attorney's or the opportunity to seek such advice.
19. **Entire Agreement:** This Agreement contains the entire agreement of the parties and supersedes any and all other agreements or understandings, oral or written, whether previous to the execution hereof or contemporaneous herewith.
20. **Public Records Act:** Pursuant to Idaho Code Section 9-335, et seq., information or documents received from the Contractor may be open to public inspection and copying unless exempt from disclosure. The Contractor shall clearly designate individual documents as "exempt" on each page of such documents and shall indicate the basis for such exemption. The CITY will not accept the marking of an entire document as exempt. In addition, the CITY will not accept a legend or statement on one (1) page that all, or substantially all, of the document is exempt from disclosure. The Contractor shall indemnify and defend the CITY against all liability, claims, damages, losses, expenses, actions, attorney fees and suits whatsoever for honoring such a designation or for the Contractor's failure to designate individual documents as exempt. The Contractor's failure to designate as exempt any document or portion of a document that is released by the CITY shall constitute a complete waiver of any and all claims for damages caused by any such release.
21. **Confidentiality:** Consultant understands and acknowledges that all tests and results (confidential information) are intended solely for the City. Consultant agrees to hold all confidential information in confidence and will not disclose the confidential information to any person or entity without the express prior written consent of City.

- 22. **Applicable Law:** This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Idaho, and the ordinances of the City of Meridian.
- 23. **Approval Required:** This Agreement shall not become effective or binding until approved by the City of Meridian.

**CITY OF MERIDIAN**

**GALLAGHER BENEFIT SERVICES, INC.**

BY: \_\_\_\_\_  
KEITH WATTS, Purchasing Manager

BY:  \_\_\_\_\_  
CHARLIE ISAACS, Area President

Dated: \_\_\_\_\_

Dated: 12/1/2020 \_\_\_\_\_

**Department Approval**

BY: \_\_\_\_\_  
CRYSTAL RITCHIE, HR Director

Dated: \_\_\_\_\_

## Attachment A

### SCOPE OF WORK

#### **Plan Benchmarking:**

Determine where the City of Meridian's Employee Benefit package falls in comparison to market.

- Benchmark plan costs and employee contributions to industry, size and regional standards on an annual basis and recommend changes, as needed.

#### **Financial Analysis:**

Provide financial data to assist in understanding the costs associated with the benefits offered and analytics to assist the Benefits Committee in making the best decisions possible.

- Analyze factors driving Client's plan costs if experience data is available. In connection with such analysis, review utilization reports to determine possible causes of identified cost increases. Assist in managing risks and costs of the employee benefits coverages.
- Provide cost projections and funding analysis (review of funding methodology with emphasis on employer costs and the tier structure of the contribution.)
- Model and analyze employee contribution scenarios.
- Provide predictive modeling to make recommendations to the key designated representatives and/or the Benefits Committee for plan design changes/enhancements and cost saving opportunities.

#### **Strategic Planning:**

Assist the Benefits Committee in planning for the future in terms of the benefits package considering the growth of the City and market trends.

- Conduct strategic planning sessions to review performance of current employee benefits coverage and establish future objectives and strategies to manage employee benefit coverages.
- Meet with the key designated representatives and/or the Benefits Committee on a monthly basis, to discuss strategy and open items.
- Identify and discuss trends and potential problems.

#### **Renewal Analysis:**

Assist in with the entire annual benefit renewal process, to include going out to market, obtaining quotes, negotiating with carriers, communicating with the Committee and obtaining final contract and plan documents.



- Develop insurance renewals within the City's budgeting timeframe. First quotes for insurance renewal rates should appear the first week of May and be solidified by the second week in June for approval by the Mayor and City Council.
- When marketing, prepare an analysis comparing current costs, plan designs, administration costs, network discounts and network accessibility.
- Conduct an annual review during the renewal process to include negotiations with current vendors/carriers.
- Upon request, develop an RFP for purposes of obtaining competitive quotes from the marketplace. Conduct the process in full and provide results to the key designated representatives and/or the Benefits Committee.
- Be the primary point of contact during the bidding process.
- Identify and negotiate with insurers and other benefit program providers while keeping the key designated representatives and/or the Benefits Committee informed of significant developments.
- Assist with documentation and other steps to obtain commitments for and implement insurance policies and other services selected.
- Review contracts for accuracy and conformity to specifications provided by the City and the related negotiated coverages.
- Follow up with insurance carriers/providers for timely issuance of policies and contracts.
- Assist Client in the implementation of the benefit program by dealing with vendor/carriers and performing contract and SPD review for purposes of determining conformity to the agreed upon plan provisions and costs.

### **Ongoing Services:**

Keep the City of Meridian apprised of all legal and regulatory requirements, provide claims reports, advise of any available technology platforms, assist in the development of employee communications, assist with issues and interpretation of benefit policies, attend Benefit Committee meetings and Council meetings as requested, have good working relationships with carriers.

- Keep the Client informed of significant changes and/or trends in the employee benefits marketplace.
- Establish comprehensive claims reports for identified coverages (medical, prescription, dental) detailing paid claims (and reimbursements if applicable), premium/funding and enrollment summaries. Review these reports with the key designated representatives and/or the Benefits Committee on an as needed basis.

- Evaluate and assist in the management of voluntary benefit products offered to the employees.
- Advise of available technology platforms to support delivery and administration of employee benefit plans.
- Assist Client in the development of paper and/or web-based communication strategies.
- Act as a liaison between the City and insurers/providers for the lines of coverage, services selected, customer service and any other issues that may arise with the insurers/ providers.
- Assist with issues relating to interpretation of insurance policies/contracts.
- Provide information/coverage summaries for all new coverages and updates on changes to existing coverages.
- Assist and provide guidance (as needed) with regard to regulation compliance.
- Provide access to employee education resources, such as email template, flyers, web-based videos, etc.
- Availability to attend City Council Meetings, as requested by the Human Resources Department. Meetings are typically the 1st, 3rd, and 4th Tuesdays of the month at 6:00 p.m.; and on the 2nd Tuesday of each month at 3:00 p.m. Meetings are held at Meridian City Hall.
- Have working relationships with all major carriers for medical, dental and vision. Specifically Blue Cross, Regence, Aetna, Select Health, Delta Dental, Willamette and VSP.

**Benefit Advocate Center (BAC) Core Services:**

Maintain an employee customized and dedicated telephone number and email address for questions regarding benefits, provider find, plan costs and claim issues. \*(Hours of Operation: Monday thru Friday, 9:00 a.m. to 7:00 p.m. MST.) The BAC will assist them with the following service issues:

- Explain Client Benefits
- Provider Find
- Resolve ID Card Problems
- Claim Resolution
- Confirm Eligibility
- Enrollment Questions
- Navigating Claims Billing Issues
- Advise on Claims Appeal Process

**Attachment B**

**MILESTONE / PAYMENT SCHEDULE**

- A. Total and complete compensation for this Agreement shall not exceed \$65,000 per year (\$5416.67 per month).

TASK	DESCRIPTION	AMOUNT
Task 1	Scope of Work as described in Attachment A	\$5,000 per month
Task 2	Benefit Advocate Center (maximum \$5,000 per year; \$416.67 per month)	\$0.80 per employee per month
<b>TOTAL</b>		<b>\$5,416.67 per month</b>

Travel expenses, if applicable, will be paid at no more than the City of Meridian's Travel and Expense Reimbursement Policy.