



AGENDA REPORT

Meeting Date: January 21, 2014
Item Number: D-13
To: Honorable Mayor & City Council
From: Noel Marquis, Assistant Director of Administrative Services - Finance
Subject: **APPROVALS RELATED TO VARIOUS CITY PURCHASING AND BUDGET TRANSACTIONS AS DESCRIBED HEREIN**
Attachments: 1. AGREEMENTS (2)

Item A. AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND MERCER (US) INC. TO CONDUCT A PUBLIC VS. PRIVATE COMPENSATION STUDY; AND

APPROVAL OF A PURCHASE ORDER IN THE NOT TO EXCEED AMOUNT OF \$100,000 TO MERCER (US) INC. TO CONDUCT A PUBLIC VS. PRIVATE COMPENSATION STUDY

RECOMMENDATION

Staff recommends approval of the agreement between the City of Beverly Hills and Mercer (US) Inc., (Mercer) to conduct a public vs. private compensation study.

INTRODUCTION

Previously the City Council appropriated \$100,000 to conduct a study of how private sector pay and benefits compare with the compensation plans provided to employees of the City of Beverly Hills. The City Treasurer, along with the Citizen's Budget Review Committee (Committee), was asked to lead this project with support from City staff as needed. The result of a Request for Proposal (RFP) process was the recommendation of Mercer, a leading pay and benefit consulting firm. At the December 17, 2013 Council meeting the City Council directed staff to prepare an agreement with Mercer and that agreement is attached to this report.

DISCUSSION

During the course of the City Treasurer's presentation that resulted in Council direction to move forward with the study using Mercer, the City Council asked certain questions that will be addressed here.

- Q: Has Mercer performed other studies similar to the one we are proposing?

A: Mercer responded that they have previously been contracted to perform public vs. private compensation studies for the following agencies: Arizona Department of Administration (study still under way), University of California (study of UC system Chancellor pay), Metro Gold Line Foothill Extension Authority, and a variety of nonprofit organizations.

- Q: What percentage of the positions in the City will be represented by the study?

A: The RFP gave an example of 25 positions with potential for crossover to the private sector that could be studied. Using this number as an example, and given that there are a total of 242 full-time position classifications in the City, the study would cover 10.3% of all classifications.

- Q: What is the percentage of payroll from the positions studied versus total City payroll?

A: Using the same 25 position classifications, which represent 60 total positions, the payroll cost of these positions (\$6.9 million) equates to 7.3% of total payroll costs for the City (\$94.9 million).

FISCAL IMPACT

The agreement is not to exceed \$100,000 for the compensation study, all of which has been previously appropriated by Council to complete the study.

Item B. AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND ROBERT HALF INTERNATIONAL, INC. DBA OFFICETEAM AND ACCOUNTEMPS TO PROVIDE TEMPORARY STAFFING ON AN AS-NEEDED BASIS; AND

APPROVAL OF A PURCHASE ORDER TO ROBERT HALF INTERNATIONAL DBA OFFICETEAM AND ACCOUNTEMPS IN AN AMOUNT NOT TO EXCEED \$56,750.00.

RECOMMENDATION

Staff recommends City Council approve an agreement with Robert Half International, Inc., DBA OfficeTeam and Accountemps for temporary employment services. The amount of this agreement is \$56,750.00 which would allow Human Resources to acquire temporary administrative support on an as-needed basis for City Departments. Associated costs are covered by departments' existing budget through salary savings.

INTRODUCTION

The City intends to use Robert Half International, Inc., DBA OfficeTeam and Accountemps for temporary employment services when City departments have employees on an extended leave or have a vacancy. The term of this agreement is three (3) years and can be extended by three one-year terms.

DISCUSSION

Robert Half International, Inc., DBA OfficeTeam and Accountemps specialize in providing Receptionists, Secretaries, Executive Secretaries, Account Clerks, Data Entry Specialists and Administrative Assistants/Clerks. Temporary employees allow City departments to run smoothly when key members of their staff are on leave for an extended period of time or a position is vacant and waiting for the position to be filled permanently.

FISCAL IMPACT

Temporary employment fees are based on the level of service required. The City and Robert Half International, Inc., DBA OfficeTeam and Accountemps have agreed on a set hourly rate fee for services provided as indicated in the agreement. Associated costs are absorbed by departments' existing budget through salary savings.


Noel Marquis
Approved By _____

Attachment 1

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND MERCER
(US) INC. TO CONDUCT A PUBLIC VS. PRIVATE COMPENSATION
STUDY

NAME OF CONTRACTOR: Mercer (US) Inc.

RESPONSIBLE PRINCIPAL OF CONTRACTOR: Catherine A Shepard, Principal

CONTRACTOR'S ADDRESS: 777 South Figueroa Street Suite 2400
Los Angeles, CA 90017

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Don Rhoads, Director of Administrative
Services - Chief Financial Officer

COMMENCEMENT DATE: January 21, 2014

TERMINATION DATE: December 31, 2014

CONSIDERATION: Not to exceed \$ 100,000

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND MERCER
(US) INC. TO CONDUCT A PUBLIC VS. PRIVATE COMPENSATION STUDY.

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and Mercer (US) Inc. (hereinafter called "CONTRACTOR"). CITY and CONTRACTOR may also be referred to individually as a "Party" and collectively as the "Parties."

RECITALS

A. CITY desires to have certain services and/or goods provided as set forth in Exhibit A (the "Scope of Work"), attached hereto and incorporated herein.

B. CONTRACTOR represents that it is qualified and able to perform the Scope of Work.

NOW, THEREFORE, the parties agree as follows:

Section 1. CONTRACTOR's Scope of Work. CONTRACTOR shall perform the Scope of Work described in Exhibit A (the "Services") in accordance with the terms of this Agreement and consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions.

Section 2. Time of Performance. CONTRACTOR shall commence its services under this Agreement upon receipt of a written notice to proceed from CITY. CONTRACTOR shall complete the performance of services by the Termination Date set forth above and/or in conformance with the project timeline mutually agreed to by the Parties.

The City Manager or his designee may extend the time of performance in writing for two additional one-year terms or such other term not to exceed two years from the date of termination pursuant to the same terms and conditions of this Agreement upon agreement by CONTRACTOR.

Section 3. Compensation.

(a) Compensation. CITY agrees to compensate CONTRACTOR for the services and/or goods provides under this Agreement, and CONTRACTOR agrees to accept in full satisfaction for such services, a sum not to exceed the Consideration set forth above and more particularly described in Exhibit B, attached hereto and incorporated herein.

(b) Expenses. The amount referenced in paragraph (a) of this Section 3 shall include reimbursement for all actual and necessary expenditures reasonably incurred in the performance of this Agreement (including, but not limited to, all labor, materials, delivery, tax, assembly, and installation, as applicable). There shall be no claims for additional compensation for reimbursable expenses.

(c) Additional Services. CITY may from time to time request CONTRACTOR to perform additional services not included in the Scope of Work, as provided in Section 16.

Section 4. Method of Payment. Unless otherwise provided for herein, CONTRACTOR shall submit to CITY a detailed invoice, on a monthly basis, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Within 30 days of receipt of each invoice, CITY shall pay all undisputed amounts included on the invoice. CITY shall pay CONTRACTOR said Consideration in accordance with the schedule of payment set forth in Exhibit B. If any invoice is not timely paid, CONTRACTOR may exercise its right to claim interest for late payment as permitted by applicable law. If any invoice remains unpaid for longer than ninety (90) days from the date of the invoice, CONTRACTOR may either suspend the provision of the Services until payment is received, or terminate this Agreement and/or any Statement of Work with immediate effect. Failure of CONTRACTOR to exercise any remedy set forth above shall not prevent CONTRACTOR from doing so with respect to any future unpaid invoice or taking any other actions available to CONTRACTOR under law.

Section 5. Independent Contractor. CONTRACTOR is and shall at all times remain, as to CITY, a wholly independent contractor. Neither CITY nor any of its agents shall have control over the conduct of CONTRACTOR or any of CONTRACTOR's employees, except as herein set forth. CONTRACTOR shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

Section 6. Assignment. This Agreement shall not be assigned in whole or in part, by CONTRACTOR without the prior written approval of CITY, which shall not be unreasonably withheld or delayed. Any attempt by CONTRACTOR to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

Section 7. Responsible Principal(s).

(a) CONTRACTOR's Responsible Principal set forth above shall be principally responsible for CONTRACTOR's obligations under this Agreement and shall serve as principal liaison between CITY and CONTRACTOR. Designation of another Responsible Principal by CONTRACTOR shall not be made without prior written consent of CITY, which consent shall not be unreasonably withheld.

(b) CITY's Responsible Principal shall be the City Manager or his designee set forth above who shall administer the terms of the Agreement on behalf of CITY.

Section 8. Personnel. CONTRACTOR represents that it has, or shall secure at its own expense, all personnel required to perform CONTRACTOR's Scope of Work under this Agreement. All personnel engaged in the work shall be qualified to perform such Scope of Work.

Section 9. Permits and Licenses. CONTRACTOR shall obtain and maintain during the Agreement term all necessary licenses, permits and certificates required by law for the provision of services under this Agreement, including a business license.

Section 10. Interests of CONTRACTOR. CONTRACTOR affirms that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the Scope of Work contemplated by this Agreement. No person having any such interest shall be employed by or be associated with CONTRACTOR.

Section 11. Insurance.

(a) CONTRACTOR shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

(1) A policy or policies of Commercial General Liability Insurance, with limits of Two Million Dollars (\$2,000,000) for each occurrence and Four Million Dollars (\$4,000,000) aggregate, on an occurrence form, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by CONTRACTOR.

(2) A policy or policies of Commercial Vehicle Liability Insurance covering personal injury and property damage, with limits of Five Million Dollars (\$5,000,000) per occurrence combined single limit, covering any vehicle utilized by CONTRACTOR in performing the Scope of Work required by this Agreement.

(3) A policy or policies of Professional Liability Insurance (errors and omissions) with limits of Ten Million Dollars (\$10,000,000) per claim and in the aggregate. Further CONTRACTOR agrees to endeavor to maintain in full force and effect such insurance for one year after performance of work under this Agreement is completed.

(4) Workers' compensation insurance as required by the State of California.

(b) CONTRACTOR shall require each of its sub-contractors to maintain insurance coverage which meets all of the requirements of this Agreement.

(c) Except for Professional Liability, the policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+;VII in the latest edition of Best's Insurance Guide.

(d) CONTRACTOR agrees that if it does not keep the aforesaid insurance in full force and effect, CITY may immediately terminate this Agreement.

(e) At all times during the term of this Agreement, CONTRACTOR shall maintain on file with the City Clerk a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts. CONTRACTOR shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The general and auto liability insurance shall include the CITY as an additional insured. CONTRACTOR shall provide at least thirty (30) days prior written notice to CITY prior to cancellation or non-renewal of any insurance policy provided pursuant to this Agreement.

(f) The Commercial General Liability and Commercial Vehicle Liability insurance provided by CONTRACTOR shall be primary to any coverage available to CITY but only for claims afforded to CITY. The Commercial General Liability and Commercial Vehicle Liability policies of insurance required by this Agreement shall include provisions for waiver of subrogation against CITY.

(g) Any deductibles must be declared to and approved by CITY.

Section 12. Indemnification. CONTRACTOR agrees to indemnify, hold harmless and defend CITY, City Council and each member thereof, and every officer, employee

and authorized agent of CITY, from any claim, liability or financial loss (including, without limitation, reasonable attorneys fees and costs) arising from any intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONTRACTOR or any person employed by CONTRACTOR in the performance of this Agreement; provided, that, CONTRACTOR's indemnification obligations hereunder shall not apply to the extent the applicable loss is caused by the wrongful acts or omissions of an indemnified person.

Section 13. Termination.

(a) CITY shall have the right to terminate this Agreement for any reason or for no reason upon seven calendar days' written notice to CONTRACTOR. CONTRACTOR agrees to cease all work under this Agreement on or before the effective date of such notice. Either party shall have the right to terminate this Agreement upon breach by the other party which breach is not cured within thirty (30) days after receipt of written notice thereof.

(b) In the event of termination or cancellation of this Agreement by CITY, due to no fault or failure of performance by CONTRACTOR, CONTRACTOR shall be paid based on the percentage of work satisfactorily performed at the time of termination. In no event shall CONTRACTOR be entitled to receive more than the amount that would be paid to CONTRACTOR for the full performance of the services required by this Agreement. CONTRACTOR shall have no other claim against CITY by reason of such termination, including any claim for compensation.

Section 14. CITY's Responsibility. CITY shall provide CONTRACTOR with all pertinent data, documents, and other requested information as is available for the proper performance of CONTRACTOR's Scope of Work. CITY agrees that CONTRACTOR shall use all information and data supplied by or on behalf of CITY without having independently verified the accuracy or completeness of it. If any documentation or information supplied to CONTRACTOR at any time is incomplete, inaccurate or not up-to-date, or its provision is unreasonably delayed, or if adequate access to employees of CITY and other individuals (including third parties such as CITY's other advisers) is not provided, then CONTRACTOR will not be responsible for any delays or liability arising therefrom. CONTRACTOR will be entitled to charge CITY for any work not covered by the Scope of Work attached hereto as Exhibit B, provided, however, that CONTRACTOR shall obtain CITY's written consent prior to its performance of any additional work and the Parties shall agree in writing as to the charge for such additional work. CITY agrees to cooperate and provide direction in a manner reasonably requested by CONTRACTOR in order to assist CONTRACTOR in performing its duties pursuant to this Agreement, and any such direction will be effective, whether provided electronically or in writing, by a person known to CONTRACTOR and that CONTRACTOR reasonably believes to be authorized to act on behalf of CITY or its designee.

Section 15. Information and Documents. All data, information, documents and drawings prepared specifically and exclusively by CONTRACTOR for CITY and required to be furnished to CITY in connection with this Agreement shall become the property of CITY (the "Work"), and CITY may use all or any portion of the work submitted by CONTRACTOR and compensated by CITY pursuant to this Agreement for CITY's purposes. Notwithstanding the foregoing or anything to the contrary set forth herein, CONTRACTOR will retain all copyright, patent and other intellectual property rights in the methodologies, methods of analysis, ideas, concepts, know-how, models, tools, techniques, skills, knowledge and experience owned or possessed by CONTRACTOR before the commencement of, or developed or acquired by CONTRACTOR during or after, the performance of the Services (the "Intellectual Property") and

the foregoing shall not be deemed Work and CONTRACTOR shall not be restricted in any way with respect thereto. It is understood and agreed that the Work will inherently contain and/or embed Intellectual Property. CONTRACTOR hereby grants CITY a non-exclusive, non-transferable right to use such Intellectual Property solely for purposes of utilizing the Work for its purposes and otherwise in accordance with the terms of this Agreement and the applicable statement of work.

Section 16. Changes in the Scope of Work. The CITY shall have the right to request, in writing, changes in the Scope of Work. Any changes in the Scope of Work requested by CITY or CONTRACTOR must be made in writing and approved by both parties. The cost of any change in the Scope of Work must be agreed to by both parties in writing.

Section 17. Notice. Any notices, bills, invoices, etc. required by this Agreement shall be deemed received on (a) the day of delivery if delivered by hand during the receiving party's regular business hours or by facsimile before or during the receiving party's regular business hours; or (b) on the second business day following deposit in the United States mail, postage prepaid to the addresses set forth above, or to such other addresses as the parties may, from time to time, designate in writing pursuant to this section.

Section 18. Entire Agreement. This Agreement represents the entire integrated agreement between CITY and CONTRACTOR, and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both CITY and CONTRACTOR.

Section 19. Exhibits; Precedence. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.

Section 20. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 21. No Third Party Beneficiaries. Neither this Agreement nor the provision of the Services is intended to confer any rights or benefit on any third party. The provision of Services under this Agreement cannot reasonably be relied upon by any third party.

Section 22. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

Section 23. Dispute Resolution.

(a) Before commencing any action or proceeding with respect to any dispute between the Parties arising out of or relating to any Services, the Parties shall first attempt to settle the dispute through consultation and negotiation in good faith and in a spirit of mutual cooperation. If the dispute is not resolved within five (5) business days, either Party may elect to escalate the resolution of such dispute by submitting the dispute in writing to senior executives from each Party who will promptly meet and confer in an effort to resolve the dispute. Each Party will identify such senior executive by notice to the other Party, and each Party may change its senior executive at any time thereafter by notice. In the event the senior executives

are unable to resolve any dispute within thirty (30) days after submission to them, either Party may then refer such dispute to mediation by a mutually acceptable mediator to be chosen by both Parties within forty-five (45) days after written notice by either Party demanding mediation. Neither Party may unreasonably withhold, delay or condition consent to the selection of a mediator. All communications and discussions in furtherance of this paragraph shall be treated as confidential settlement negotiations that are not subject to disclosure to any third party, except as required by law. The costs of the mediator shall be shared equally, but each Party shall pay its own attorney's fees.

(b) Any dispute that is not resolved within six (6) months of the date of the initial demand for mediation by one of the Parties may then be submitted to a court of competent jurisdiction in accordance with the provisions of Section 20. Nothing in this 23 will prevent either Party from resorting to judicial proceedings at any time if interim relief from a court is necessary to prevent serious and irreparable injury or damage to that Party or to others.

(c) ANY CLAIM, ACTION OR PROCEEDING IN ANY FORUM AGAINST A PARTY OR ANY OF ITS AFFILIATES WILL BE BARRED UNLESS THE OTHER PARTY INITIATES THE DISPUTE RESOLUTION PROCEDURES SET FORTH IN THIS SECTION 23 WITHIN ONE YEAR OF THE DATE UPON WHICH THAT PARTY (A) FIRST DISCOVERED, OR (B) UPON THE EXERCISE OF REASONABLE DILIGENCE COULD HAVE DISCOVERED THE ACT, ERROR OR OMISSION THAT IS THE BASIS FOR SUCH CLAIM, WHICHEVER DATE IS SOONER.

Section 24. Limitation of Liability.

(a) The aggregate liability of CONTRACTOR, its Affiliates and any officer, director or employee of it and its Affiliates ("CONTRACTOR Parties") to CITY, CITY's Affiliates, officers, directors or employees or those of CITY's Affiliates and any third party (including any benefit plan, its fiduciaries or any plan sponsor) for any and all Losses arising out of or relating to the provision of any Services at any time by any of the CONTRACTOR Parties shall not exceed the greater of one times the Compensation for the Services giving rise to such Loss and \$100,000.

(b) In no event shall either Party or its Affiliates be liable to the other Party, its Affiliates or any third party in connection with this Agreement or the Services for any loss of profit or incidental, consequential, special, indirect, punitive or similar damages. The provisions of this Section 24 shall apply to the fullest extent permitted by law.

(c) Nothing in this Section 24 shall apply to any liability that has arisen from (i) the fraud on the part of CONTRACTOR; (ii) death, bodily injury or tangible property damage caused by a Party; (iii) CONTRACTOR's infringement of a third party's intellectual property rights; or (iv) CONTRACTOR's violation of any laws applicable to the Services.

(d) For purposes of this Agreement "Loss" means damages, claims, liabilities, losses, awards, judgments, penalties, third party claims, interest, costs and expenses, including reasonable attorneys' fees, whether arising under any legal theory including, but not limited to claims sounding in tort (such as for negligence, misrepresentation or otherwise), contract (whether express or implied), by statute, or otherwise, claims seeking any kind of damages and claims seeking to apply any standard of liability such as negligence, statutory violation or otherwise. For the avoidance of doubt, multiple claims arising out of or based upon

the same act, error or omission, or series of continuous, interrelated or repeated acts, errors or omissions shall be considered a single Loss.

(e) Each of the Parties acknowledges that the Compensation for the Services to be provided under this Agreement and the applicable Statement of Work reflects the allocation of risk set forth in this Section 24.

Section 25. Arbitration. Each party to this Agreement, on behalf of itself and its Affiliates, agrees that any dispute, claim or controversy arising out of or relating to this Agreement or the provision of Services by any CONTRACTOR Party (a "Claim") shall be resolved by binding arbitration pursuant to the Commercial Arbitration Rules ("Rules") of the American Arbitration Association ("AAA") then in effect. The arbitration shall be conducted by a panel of three arbitrators, with each party selecting one arbitrator and the two arbitrators selecting the third arbitrator. If the two arbitrators are unable to agree upon the third arbitrator, the third arbitrator shall be selected by the AAA. Each of the arbitrators shall have at least fifteen years of relevant industry experience. The arbitrator(s) shall render a reasoned award, and neither party shall object to the other party's request for such an award. The arbitrators shall have no authority to award loss of profit, incidental, consequential, special, indirect, punitive or similar damages or any damages not measured by the prevailing party's actual direct damages, and may not make any ruling, finding or award that does not conform to the terms and conditions of this Agreement including, without limitation, the terms and conditions relating to the exclusion or limitation of damages. All fees and expenses of the arbitration shall be borne by the parties equally; except that each party shall bear the expense of its own counsel, experts, witnesses, and preparation and presentation of the arbitration matter. Judgment upon any award rendered by the arbitrators may be entered in any court of competent jurisdiction; provided, however, neither party shall seek to enforce any judgment which does not conform to the terms and conditions of this Agreement, including, the terms and conditions relating to the exclusion or limitation of damages. No demand for arbitration may be made on any date on or after which the institution of legal or equitable proceedings based on the applicable claim would be barred by the applicable statute of limitations or by any provision of this Agreement. Notwithstanding the foregoing, nothing in this Section prohibits either party from seeking equitable relief from a court of competent jurisdiction to the extent that irreparable harm may occur and damages would not be a sufficient remedy. The arbitrators shall not amend, modify, nullify, ignore or add to the provisions of this Agreement and in the event the arbitrators do so or attempt to do so, such act by the arbitrators shall be null and void and have no effect, and either party may seek to enforce this sentence and the immediately preceding sentence in a court of competent jurisdiction notwithstanding this Section 25.

EXECUTED the ____ day of _____ 2014, at Beverly Hills, California.

CITY OF BEVERLY HILLS,
A Municipal Corporation

JOHN A. MIRISCH
Mayor of the City of Beverly Hills, California

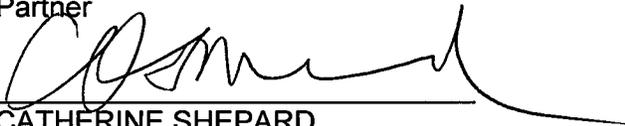
ATTEST:

(SEAL)
BYRON POPE
City Clerk

CONSULTANT: MERCER

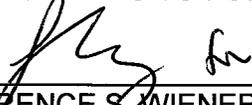


RICHARD HERMAN
Partner



CATHERINE SHEPARD
Senior Principal

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY C. KOLIN
City Manager



DON RHOADS
Director of Administrative Services/Chief Financial
Officer



KARL KIRKMAN
Risk Manager

EXHIBIT A
SCOPE OF WORK

CONTRACTOR shall perform the following services:

Project Details

1. Project name: Public vs Private Total Compensation & Benefits Study
2. Description of CONTRACTOR responsibilities:

Phase I: Research & Design

- Conduct interviews with key leadership to gain full understanding of organizational context
- Partner with the CITY to lay out guiding principles and determine data needs
- Gather compensation (20-35 jobs) & benefits data for CITY employees
- Create list of 20 comparably sized, local, private sector target participants (goal=10) and vet list with CITY leadership
- Draft custom survey and survey methodology, and revise based on feedback

Phase II: Conduct Survey

- Send out email announcement to targeted survey participants
- Send survey, survey instructions, list of participants, and CONTRACTOR contact information to desired participants
- Maintain dialogue with target participants, clarify questions and concerns
- Collect data in CONTRACTOR survey tool, including gathering benefits summary planned descriptions

Phase III: Analyze Results

- Obtain complete survey input from CONTRACTOR tool
- Review input, and if necessary, contact survey participants to clarify their responses
- Calculate value of CITY and participant benefits programs as reported
- Calculate market composites for compensation (base/overtime/bonus/long-term incentives), benefits/perquisites and total remuneration

- Assess positioning of CITY compensation & benefits vs. participants

Phase IV: Final Deliverables

- Create draft summarized report for CITY, including market positioning, key conclusions and considerations for go-forward compensation and benefit program
 - Revise report as appropriate (fees include one draft and one final version)
 - Present final report to CITY leadership and determine next steps
 - Create participant report summarizing market composites and distribute
3. Description of CITY responsibilities: Provide data, as requested, in a timely and accurate manner; be available for calls and meetings
 4. Period of time over which work will be performed: 3-4 months. CONTRACTOR shall continue to work with CITY through December 31, 2014, for any follow up work related to this study.

EXHIBIT B

SCHEDULE OF PAYMENT AND RATES

CONTRACTOR shall submit an itemized statement to CITY for its services performed in the prior month, which shall include documentation setting forth in detail a description of the services rendered. CITY shall pay CONTRACTOR the amount of such billing within thirty (30) days of receipt of same.

Fee Structure

Compensation for the services will be professional fees in the amount of \$100,000, inclusive of related expenses, which should be minimal due to CITY's proximity to the Los Angeles office.

Phases	Items Included	Fees
I. Research and Design	<ul style="list-style-type: none">•Up to three leadership interviews•Project guiding principles•Target participant list•Draft and final versions of survey	\$20,000
II. Conduct Survey/ Participant Communication	<ul style="list-style-type: none">•Gathering and reviewing of survey data in CONTRACTGOR survey tool•Participant communications, including answering questions and clarifying responses	\$25,000
III. Analyze Survey Results	<ul style="list-style-type: none">•Benefits valuation•Integration of survey compensation and benefits data•Determination of CITY market positioning on each compensation and benefits element, as well as total remuneration	\$40,000
IV. Final Reports	<ul style="list-style-type: none">•Draft and final versions of CITY report•Presentation to CITY leadership•Draft and final versions of participant report	\$15,000
	Total	\$100,000

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND ROBERT
HALF INTERNATIONAL, INC. DBA OFFICETEAM AND ACCOUNTEMPS
TO PROVIDE TEMPORARY STAFFING ON AN AS-NEEDED BASIS

NAME OF CONTRACTOR: Robert Half International, Inc. dba Officeteam and
Accountemps

RESPONSIBLE PRINCIPAL OF CONTRACTOR: Brandi Britton
District Director, Robert Half International Inc.

CONTRACTOR'S ADDRESS: 10960 Wilshire Blvd. Suite 900
Los Angeles, CA 90024

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Sandra Olivencia-Curtis Assistant Director of
Administrative Services – HR

COMMENCEMENT DATE: Upon receipt of written notice to proceed

TERMINATION DATE: 3 years from Commencement Date, unless extended
pursuant to Section 2 of the Agreement

CONSIDERATION: Not to exceed the amount approved in annual CITY
purchase order, based on the rates set forth in Exhibit B

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND ROBERT
HALF INTERNATIONAL, INC. DBA OFFICETEAM AND ACCOUNTEMPS
TO PROVIDE TEMPORARY STAFFING ON AN AS-NEEDED BASIS

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and Robert Half International, Inc. dba Officeteam and Accountemps (hereinafter called "CONTRACTOR"). Services provided by CONTRACTOR under this Agreement are provided by the Accountemps and OfficeTeam divisions of the Los Angeles, CA branch office ("Branch") of VENDOR. Nothing in this Agreement shall obligate any CONTRACTOR branch or division, other than the Accountemps and OfficeTeam divisions of the Branch.

RECITALS

A. CITY desires to have certain services and/or goods provided as set forth in Exhibit A (the "Scope of Work"), attached hereto and incorporated herein.

B. CONTRACTOR represents that it is qualified and able to perform the Scope of Work.

NOW, THEREFORE, the parties agree as follows:

Section1. CONTRACTOR'sScopeofWork. CONTRACTOR shall perform the Scope of Work described in Exhibit A in a manner satisfactory to CITY and consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. CITY shall have the right to order, in writing, changes in the Scope of Work. Any changes in the Scope of Work by CONTRACTOR must be made in writing and approved by both parties. The cost of any change in the Scope of Work must be agreed to by both parties in writing.

Section2. TimeofPerformance. CONTRACTOR shall perform the services on or by the Termination Date set forth above. The City Manager or his designee may extend the time of performance in writing for three additional one-year terms pursuant to the same terms and conditions of this Agreement.

Section3. Compensation. CITY agrees to compensate CONTRACTOR for the services and/or goods provides under this Agreement on an hourly fee basis, and CONTRACTOR agrees to accept in full satisfaction for such services, a sum not to exceed the Consideration set forth above and more particularly described in Exhibit B, attached hereto and incorporated herein, based on the hourly rates set forth in Exhibit B. Said Consideration shall constitute reimbursement of CONTRACTOR's fee for the services. CITY shall pay CONTRACTOR said Consideration in accordance with the schedule of payment set forth in Exhibit B-2, attached hereto and incorporated herein.

Section4. IndependentContractor. CONTRACTOR is and shall at all times remain, as to CITY, a wholly independent contractor. Neither CITY nor any of its agents shall have control over the conduct of CONTRACTOR or any of CONTRACTOR's employees, except as herein set forth. CONTRACTOR shall not, at any time, or in any manner, represent that it or

any of its agents or employees are in any manner agents or employees of CITY. CONTRACTOR shall have the right to re-assign its employees temporarily assigned to CITY upon 30 days' prior written notice..

Section5. Assignment. This Agreement shall not be assigned in whole or in part, by CONTRACTOR without the prior written approval of CITY. Any attempt by CONTRACTOR to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

Section6. ResponsiblePrincipal(s).

(a) CONTRACTOR's Responsible Principal set forth above shall be principally responsible for CONTRACTOR's obligations under this Agreement and shall serve as principal liaison between CITY and CONTRACTOR. Designation of another Responsible Principal by CONTRACTOR shall not be made without prior written consent of CITY.

(b) CITY's Responsible Principal shall be the City Manager or his designee set forth above who shall administer the terms of the Agreement on behalf of CITY.

Section7. Personnel.

(a) CONTRACTOR represents that it has, or will secure at its own expense, all personnel required to perform the services under this Agreement. All personnel engaged in the work shall be skilled to perform such services. CITY may require the removal of any CONTRACTOR personnel from CITY with or without cause. Supervision of temporary personnel is CITY's responsibility. CITY will not permit or require CONTRACTOR's employees (i) to perform services outside of the scope of his assignment (ii) to sign contracts or statements (iii) to make any management decisions (iv) to sign, endorse, wire, transport or otherwise convey cash, securities, checks or any negotiable instruments or valuables or (v) to operate machinery (other than office machines) or automotive equipment, or (vi) to perform Services remotely (e.g., on premises other than the CITY's premises), or to use computers, software or network equipment owned or licensed by the temporary employee. Since CONTRACTOR is not a professional accounting firm, CITY agrees that it will not permit or require CONTRACTOR's temporary employees (a) to render an opinion on behalf of CONTRACTOR or on CITY's behalf regarding financial statements, (b) to sign the name of CONTRACTOR on any document or (c) to sign their own names on financial statements or tax returns. CITY agrees that it will provide safe working conditions.

(b) Prior to an employee of CONTRACTOR performing services under this Agreement, he/she shall be fingerprinted by the CITY Police Department, at CITY's cost, in order for CITY to conduct a State Department of Justice (DOJ) background check. CONTRACTOR shall not assign to work at CITY any employee whose criminal background check reveals that he/she has been convicted of a misdemeanor or felony involving moral turpitude.

(c) To the extent permitted by law, CONTRACTOR shall have its third party vendor complete a seven (7) year criminal background investigation for all felony convictions and misdemeanor convictions for crimes of dishonesty (both State and Federal) for the employee's current county of residence as stated on his or her resume.

(d) CONTRACTOR shall also conduct credit checks for every employee who would have cash-handling responsibilities, to the extent permitted by California law. Credit checks shall be conducted on a case-by-case basis, only upon CITY's request and only where there is a legally permissible reason for conducting such check. CITY represents and warrants that any credit checks will be requested, conducted and used by CITY in accordance with applicable law, including, but not limited to, California Labor Code Section 1024.5.

(e) Resumes, criminal background checks and any other personally identifiable information relating to CONTRACTOR's temporary personnel placed in CITY pursuant to this Agreement are confidential, as defined by law, and shall be maintained by CITY with reasonable care in accordance with applicable law.

(f) Drug testing may be required by CITY.

Section 8. InterestsofCONTRACTOR. CONTRACTOR affirms that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the Scope of Work contemplated by this Agreement. No person having any such interest shall be employed by or be associated with CONTRACTOR.

Section 9. Insurance.

(a) CONTRACTOR shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

(1) A policy or policies of Comprehensive General Liability Insurance, with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by CONTRACTOR.

(2) Workers' compensation insurance as required by the State of California.

(b) CONTRACTOR shall require each of its sub-contractors to maintain insurance coverage which meets all of the requirements of this Agreement.

(c) The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+;VII in the latest edition of Best's Insurance Guide.

(d) CONTRACTOR agrees that if it does not keep the aforesaid insurance in full force and effect CITY may immediately terminate this Agreement.

(e) At all times during the term of this Agreement, CONTRACTOR shall maintain on file with the City Clerk a certificate or certificates of insurance on the form set forth in Exhibit C, attached hereto and incorporated herein, showing that the aforesaid policies are in effect in the required amounts. CONTRACTOR shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The general and auto liability insurance shall contain an endorsement naming the CITY as an additional insured. In the event the policies required under this Agreement are to be canceled, CONTRACTOR shall endeavor to provide thirty (30) days prior written notice to CITY, and specifically stating that the

coverage contained in the policies affords insurance pursuant to the terms and conditions as set forth in this Agreement.

(f) The insurance provided by CONTRACTOR shall be primary to any coverage available to CITY with respect to General Liability Insurance. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation.

(g) Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, CONTRACTOR shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONTRACTOR shall procure a bond guaranteeing payment of losses and expenses.

Section 10. Indemnification. CONTRACTOR agrees to indemnify, hold harmless and defend CITY, City Council and each member thereof, and every officer, employee and agent of CITY, from any claim, liability or financial loss (including, without limitation, attorneys fees and costs) arising from any intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONTRACTOR or any person employed by CONTRACTOR in the performance of this Agreement.

Section 11. Termination.

(a) CITY shall have the right to terminate this Agreement for any reason or for no reason upon five calendar days' written notice to CONTRACTOR. CONTRACTOR agrees to cease all work under this Agreement on or before the effective date of such notice.

(b) In the event of termination or cancellation of this Agreement by CITY, due to no fault or failure of performance by CONTRACTOR, CONTRACTOR shall be paid for the billable hours satisfactorily performed up to the time of termination as evidenced by CONTRACTOR's employees' timesheets. In no event shall CONTRACTOR be entitled to receive more than the amount that would be paid to CONTRACTOR for the full performance of the services required by this Agreement. CONTRACTOR shall have no other claim against CITY by reason of such termination, including any claim for compensation. Any respective obligations of CONTRACTOR and CITY hereunder that by their nature would continue beyond the termination, cancellation or expiration of this Agreement shall survive such termination, cancellation or expiration.

Section 12. Notice. Any notices, bills, invoices, etc. required by this Agreement shall be deemed received on (a) the day of delivery if delivered by hand during the receiving party's regular business hours or by facsimile before or during the receiving party's regular business hours; or (b) on the second business day following deposit in the United States mail, postage prepaid to the addresses set forth above, or to such other addresses as the parties may, from time to time, designate in writing pursuant to this section.

Section 13. Entire Agreement. This Agreement represents the entire integrated agreement between CITY and CONTRACTOR, and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both CITY and CONTRACTOR.

Section 14. Attorney's Fees. In the event that either party commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing

party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

Section 15. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 16. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

EXECUTED the _____ day of _____ 20__, at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation

JOHN A. MIRISCH
Mayor of the City of Beverly Hills, California

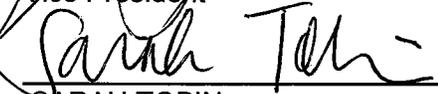
ATTEST:

(SEAL)
BYRON POPE
City Clerk

CONTRACTOR: ROBERT HALF
INTERNATIONAL, INC. DBA OFFICETEAM AND
ACCOUNTEMPS

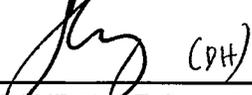


BRANDI BRITTON
Vice President



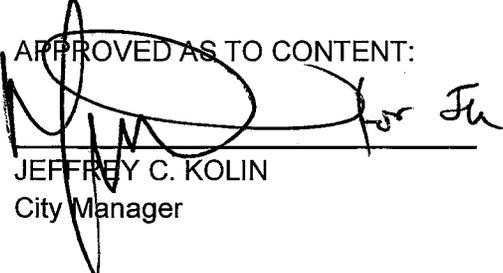
SARAH TOBIN
Secretary

APPROVED AS TO FORM:

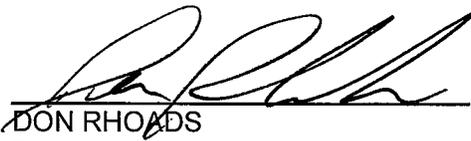


LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:



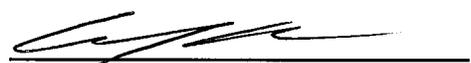
JEFFREY C. KOLIN
City Manager



DON RHOADS
Director of Administrative Services/Chief Financial
Officer



SANDRA OLIVENCIA-CURTIS
Assistant Director of Administrative
Services/Human Resources



KARL KIRKMAN
Risk Manager

EXHIBIT A SCOPE

OF WORK

CONTRACTOR shall provide temporary staffing needs for CITY on a non-exclusive as needed basis. CONTRACTOR shall propose candidates to CITY and CITY shall have the right to reject any candidates or request the immediate removal of any CONTRACTOR employee already placed in the City. Each CONTRACTOR employee who performs work under this Agreement shall be investigated in accordance with Section 7 of this Agreement. CITY shall not require CONTRACTOR's employees to drive during their temporary assignment with the CITY.

EXHIBIT B

SCHEDULE OF PAYMENT AND RATES

1. COMPENSATION FOR TEMPORARY STAFFING:

For all positions, CITY shall pay no more than 30% of the CITY's published minimum hourly pay rate.

(a) If a CONTRACTOR employee does not meet CITY's expectations, CONTRACTOR shall not charge CITY for the first four hours of work. CITY may use this offer in conjunction with any other CONTRACTOR offer.

(b) The first four hours shall be free to CITY on any assignment of 30 days or more in which CONTRACTOR employee must receive training or orientation. CITY may use this offer in conjunction with any other CONTRACTOR offer.

(c) The first four hours of CONTRACTOR's first assignment of 30 days or more in any CITY department shall be free to CITY. CITY may use this offer in conjunction with any other CONTRACTOR offer.

(d) In the event that the work schedule of a temporary position has an alternate schedule, such as a 9/80 or 4/10, CITY shall not pay CONTRACTOR overtime.

2. COMPENSATION FOR EMPLOYMENT BY CITY:

(a) CITY may directly employ CONTRACTOR employees without compensation to CONTRACTOR upon completion by such employee of 480 hours worked in the CITY.

(i) For direct hire and temp-to-perm placements, CITY will pay CONTRACTOR 15% of the hired employee's annual salary. This fee (the "Fee") shall be prorated based upon the number of hours worked.

(ii) The Fee shall be calculated by (i) multiplying the annual salary by 15%, (ii) dividing that by 480 hours to establish the hourly rate; (iii) subtracting the number of hours worked to date from 480 hours; and (iv) multiplying the hourly rate by the number of hours remaining.

(b) CONTRACTOR guarantees all direct hire and temp-to-perm placements for ninety (90) calendar days beginning on the first day of employment as a CITY employee. Should the placed employee prove to be unsatisfactory for any reason within the first ninety (90) days of employment, CONTRACTOR shall replace the employee at no additional charge to CITY.

(c) If CONTRACTOR employee is released or leaves during the 480 hour period, CONTRACTOR shall replace the employee and reduce the release period by the number of hours worked. For example, if said employee is released or leaves after 100 hours, the replacement employee may be hired after 380 hours of work at CITY without a fee.

(d) CONTRACTOR shall provide CITY thirty (30) days prior written notice of any change in the rates set forth in this Exhibit. The rate changes are subject to the prior written approval of the City Manager or his designee.

3. CONTRACTOR shall submit an itemized statement to CITY for its services performed for the prior month which shall include documentation on a form approved by CITY, setting forth in detail a description of the services rendered and the hours of service. CITY shall pay CONTRACTOR the amount of such billing within thirty (30) days of receipt of same.

EXHIBIT C

CERTIFICATE OF INSURANCE

This is to certify that the following endorsement is part of the policy(ies) described below :

NAMED INSURED

COMPANIES AFFORDING COVERAGE

ADDRESS

- A.
- B.
- C.

COMPANY (A.B.C.)	COVERAGE	POLICY NUMBER	EXPIRATION DATE	B.I.	LIMITS P.D.	AGGREGATE
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS <input type="checkbox"/> BLANKET CONTRACTUAL <input type="checkbox"/> CONTRACTOR'S PROTECTIVE <input type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> EXCESS LIABILITY <input type="checkbox"/> WORKER'S COMPENSATION					

It is hereby understood and agreed that the City of Beverly Hills, its City Council and each member thereof and every officer and employee of the City shall be named as joint and several assureds with respect to claims arising out of the following project or agreement:

It is further agreed that the following indemnity agreement between the City of Beverly Hills and the named insured is covered under the policy: Contractor agrees to indemnify, hold harmless and defend City, its City Council and each member thereof and every officer and employee of City from any and all liability or financial loss resulting from any suits, claims, losses or actions brought against and from all costs and expenses of litigation brought against City, its City Council and each member thereof and any officer or employee of City which results directly or indirectly from the wrongful or negligent actions of contractor's officers, employees, agents or others employed by Contractor while engaged by Contractor in the (performance of this agreement) construction of this project.

It is further agreed that the inclusion of more than one assured shall not operate to increase the limit of the company's liability and that insurer waives any right of contribution with insurance which may be available to the City of Beverly Hills.

In the event of cancellation or material change in the above coverage, the company will give 30 days' written notice of cancellation or material change to the certificate holder.

Except to certify that the policy(ies) described above have the above endorsement attached, this certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate or verification of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

DATE : _____ BY : _____

 Authorized Insurance Representative

AGENCY : _____ TITLE : _____
 _____ Address : _____
