

COTTONWOOD HEIGHTS

RESOLUTION No. 2022-61

A RESOLUTION APPROVING ENTRY INTO A CONSULTING AGREEMENT WITH NFP CORPORATE SERVICES (UT) INC. FOR ANALYSIS AND BENCHMARKING OF CITY EMPLOYEE COMPENSATION

WHEREAS, the city council (the “*Council*”) of the city of Cottonwood Heights (the “*City*”) met in regular session on 6 December 2022 to consider, among other things, approving the City’s entry into a consulting agreement (the “*Agreement*”) with NFP Corporate Services (UT) Inc. (“*Consultant*”) whereunder Consultant would provide analysis and benchmarking of City employee compensation, and related services, as described in the Agreement; and

WHEREAS, the Council has reviewed the form of the Agreement, a photocopy of which is annexed hereto; and

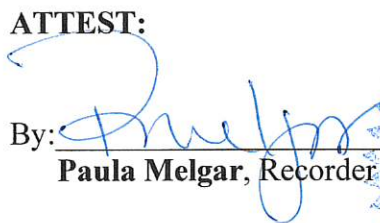
WHEREAS, after careful consideration, the Council has determined that it is in the best interests of the health, safety and welfare of the citizens of the City to approve the City’s entry into the Agreement as proposed;

NOW, THEREFORE, BE IT RESOLVED by the Cottonwood Heights city council that the attached Agreement is hereby approved, and that the City’s mayor and recorder are authorized and directed to execute and deliver the Agreement on behalf of the City.

This Resolution, assigned no. 2022-61, shall take effect immediately upon passage.

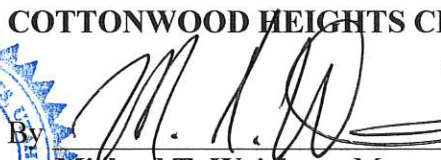
PASSED AND APPROVED effective 6 December 2022.

ATTEST:

By: 
Paula Melgar, Recorder



COTTONWOOD HEIGHTS CITY COUNCIL

By: 
Michael T. Weichers, Mayor

VOTING:

Michael T. Weichers	Yea ☒ Nay ☐
Douglas Petersen	Yea ☒ Nay ☐
J. Scott Bracken	Yea ☒ Nay ☐
Shawn E. Newell	Yea ☒ Nay ☐
Ellen Birrell	Yea ☒ Nay ☐

DEPOSITED in the office of the City Recorder this 6th day of December 2022.

RECORDED this 6 day of December 2022.

Agreement for Consulting Services

THIS AGREEMENT FOR CONSULTING SERVICES (this "*Agreement*") is made effective 6 December 2022 by **COTTONWOOD HEIGHTS**, a Utah municipality whose address is 2277 East Bengal Blvd., Cottonwood Heights, UT 84121 ("*City*"), and by **NFP CORPORATE SERVICES (UT) INC.**, a Utah corporation 3900 Traverse Mountain Blvd., Ste. 301, Lehi, UT 84043 ("*Consultant*"). In this Agreement, City and Consultant are each a "*party*" and collectively are the "*parties*."

RECITALS:

A. City desires to obtain from a qualified expert consulting services for a City employee compensation analysis and benchmarking, and to perform related services, all in accordance with Consultant's proposal received on 17 October 2022 that is attached hereto as Exhibit "A" and all applicable standards.

B. Consultant regularly provides such consulting services.

C. By this Agreement, City desires to retain Consultant, and Consultant desires to be retained by City, to perform the subject consulting services on the terms and conditions specified herein.

D. City and Consultant intend to identify herein the consulting services to be performed for City by Consultant, the basis of compensation for such services, and to otherwise set forth their entire agreement concerning the subject services. Consequently, this Agreement shall supersede all prior or contemporaneous negotiations and/or agreements, oral and/or written, between the parties concerning the services to be provided under this Agreement.

AGREEMENT:

NOW, THEREFORE, in consideration of the premises, the mutual covenants and undertakings of the parties hereto, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

Section 1. **Scope of Services**. Consultant shall provide the consulting services (collectively, the "*Services*") to City that are described in attached Exhibit "A" ("*Exhibit A*") as reasonably directed by City for the purpose of analyzing and benchmarking compensation of City's employees and related information, work product and services outlined in Exhibit A as contemplated by all applicable legal requirements and best practices.

The entire scope of the proposed Services is described in Exhibit A, provided that City shall be freely entitled to stop Consultant's work at any stage of the Services if City determines that adequate information has been obtained or that such stoppage is warranted for any reason. In such event, and notwithstanding anything to the contrary in this Agreement, Consultant shall be entitled only to compensation due for Services rendered through the effective date of such termination and shall have no claim for any other payments or damages, all as explained more specifically below.

Subject to the foregoing, the Services shall include the following:

(a) Phases. The Services shall be divided into the phases, steps and work described in Exhibit A.

(b) Public Meetings. Consultant shall attend such public meetings concerning the Services as City reasonably may direct. City shall schedule and advertise all public meetings or hearings. City may request Consultant to make a presentation concerning the Services at one or more public meetings to receive public input and direction from City. All reasonable and final adjustments to the resulting study as directed by City will be made by Consultant prior to its final adoption/approval by City.

(c) Schedule. It is anticipated that the final study resulting from the Services will be completed by approximately 1 February 2023. Consultant shall comply with the performance schedule for the component Services as detailed on Exhibit A.

(d) Deliverables. Consultant shall provide all deliverables identified in Exhibit A, as well as such other documentation and deliverables as City reasonably may request.

(e) Other Services. Consultant shall perform all other services and work as specified in Exhibit A, or as may be mutually agreed to by the parties in writing.

If Consultant believes that any of the Services merit payment of any additional compensation beyond the Fee (defined below), then Consultant shall so inform City in advance before undertaking any of such additional services, describing the need for such additional services and the not to exceed cost of providing them. If City desires Consultant to proceed with any such additional services, City shall so inform Consultant in writing. Consultant may not perform any additional services, or seek compensation therefor, without City's prior written consent.

Section 2. Performance of Services. Except as otherwise provided in this Agreement, Consultant shall furnish all supervision, personnel, labor, materials, supplies and shall obtain all licenses and permits required for performance of the Services. The Services shall be performed at Consultant's offices and other mutually-agreeable places.

Section 3. Compensation; Invoices; Remittance. For satisfactory performance of the Services, City shall pay to Consultant the maximum amount of \$15,520 (the "Fee").

(a) Invoices. Consultant shall invoice City for the Services performed during each calendar month at the end of that month or as soon as practical thereafter. All invoices submitted to City shall contain references to this Agreement. Invoices shall detail the Services performed and shall contain copies of all supporting documents or proof of any expenditures on behalf of City, and otherwise shall be in sync with the stage of completion of the Services outlined in Exhibit A. Invoices for any approved additional services also shall specify the person(s) performing such services, the hours worked, the applicable hourly rate(s),

(b) Questioned Charges. Any questions or objections by City concerning Consultant's charges under an invoice for the any services shall be submitted within 30 days after City's receipt of the subject invoice.

(c) Remittances. Subject to subsection 3(b), all invoiced amounts due for Services performed shall be paid by City within 30 days after City's receipt of the subject invoice. If payment is not remitted or reasonably questioned to Consultant when due, Consultant shall be entitled to recover interest thereon at the rate of 10% per annum from and after the date the remittance is due and payable.

Section 4. Change in Level of Services. City shall be freely entitled to modify (increase or decrease) the level of the Services hereunder by providing at least 15 days' prior written notice to Consultant of such change, provided that any increase in the level of the Services shall be subject to Consultant's reasonable approval. Consultant's compensation shall be reasonably modified in connection with any such change.

Section 5. Suspension of Services. City shall have the absolute right to terminate the Services at any time without cost or liability to Consultant as provided in this Agreement. City also may by written notice direct Consultant to temporarily suspend performance of any or all of the Services for a specified period of time. If such suspension is not occasioned by the fault or negligence of Consultant, this Agreement may be modified to compensate Consultant for extra costs reasonably incurred because of said suspension, provided that any claim for adjustment is supported by appropriate cost documentation and asserted within 20 calendar days after the date that City issues an order for resumption of the Services. Upon its receipt of any such suspension notice, Consultant immediately shall (a) discontinue the Services; (b) place no further orders or subcontracts in connection with the Services; (c) suspend all outstanding orders and subcontracts in connection with the Services; (d) protect and maintain the existing work and work-product in connection with the Services; and (e) otherwise mitigate City's costs and liabilities for the suspended areas of the Services.

Section 6. Termination for Convenience. City may terminate this Agreement, or any part hereof, at any time with or without cause prior to its completion by sending to Consultant written notice of such termination. Upon any such termination, City shall pay to Consultant the full amount due for all Services satisfactorily performed by Consultant as of the date of termination, excluding damages or anticipated profits on work not yet completed or performed.

Section 7. Ownership of Designs and Drawings. All documents (whether printed or stored on paper or as electronic, magnetic, or digital information) produced or collected by Consultant in its performance of the Services (including, without limitation, original drawings, estimates, specifications, field notes and data) (collectively, the "*Documents*") are and shall remain the exclusive property of City. Conditioned only on City's payment to Consultant of the amounts due hereunder, at the conclusion of the Services or any earlier termination thereof Consultant shall deliver to City all Documents, whether or not complete. Consultant may, at its expense, reproduce for its own records the Documents so supplied to City. Consultant may not disclose, sell, use, publish or display any Documents or other information collected or produced in connection with its performance of this Agreement without City's prior written consent.

Section 8. Nondisclosure; Conflict of Interest. Consultant shall not divulge to third parties without City's prior written consent any information obtained from or through City in connection with the performance of this Agreement. Unless waived by City, Consultant shall require its employees and subcontractors of any tier to adhere to the same covenant of nondisclosure. Consultant shall safeguard the confidentiality of any information obtained from or

through City in connection with the performance of this Agreement to the same extent as Consultant safeguards the confidentiality of its own proprietary or confidential information. Consultant and its subcontractors shall not act as a consultant in any matters adverse to City.

Section 9. **Compliance with Laws.** Consultant shall at all times comply with all applicable federal, state and local laws, statutes, rules, regulations, and ordinances, including, without limitation, those governing wages, hours, desegregation, employment discrimination, workers' compensation, employer's liability and safety. Consultant also shall comply with all applicable equal opportunity laws and regulations.

Section 10. **Patent and Copyright.** If Consultant's employees, officers, agents, subcontractors of any tier, or anyone of a like nature in the performance of the Services or as a result of performing the Services develop any trade secret, prepare any copyrighted material, make any improvement, originate any invention, or develop any process or the like (collectively, an "*Innovation*"), (a) such Innovation shall be the property of Consultant, but (b) Consultant shall grant or cause to be used for the benefit of City (or for City's own internal use) the Innovation for so long as City reasonably desires.

Section 11. **Independent Contractor.** Consultant shall perform the Services as an independent contractor, and all persons employed by Consultant in connection with this Agreement or the Services shall be employees of Consultant and not employees of City in any respect or for any purpose.

Section 12. **Assignment.** Consultant shall not assign this Agreement, or any part thereof, without City's prior written consent. Any attempted assignment in violation of this section shall be void from its inception.

Section 13. **Subcontracts.** Except for any subcontractors specified on Exhibit A, Consultant shall not award any work to any subcontractor without City's prior written approval, which approval will not be given until (a) Consultant submits to City a written statement (containing such information as City may require) concerning the proposed award to the subcontractor, and (b) City has reasonably approved such proposed subcontract.

Consultant shall be as fully responsible to City for the acts and omissions of Consultant's subcontractors, and of persons either directly or indirectly employed by such subcontractors, in the same manner as Consultant is liable for the acts and omissions of its own employees. Consultant shall cause appropriate provisions to be inserted in all subcontracts to bind subcontractors to Consultant by the terms and conditions of this Agreement insofar as applicable to the work of subcontractors, and to give Consultant the same power to terminate any subcontract as City may exercise over Consultant under this Agreement. Nothing in this Agreement, and no course of dealing, shall create any contractual relationship between City and any of Consultant's subcontractors.

Section 14. **Accounting and Auditing.** Consultant shall keep accurate and complete records in support of all remuneration paid hereunder. City, or its audit representative, shall have the right at any reasonable time(s) to examine, audit, and reproduce all records pertaining to costs, including but not limited to payrolls, employees' time sheets, invoices, and all other evidence of expenditures for the Services. Such records shall be available for one year after completion of the Services.

Section 15. **Non-Exclusive Rights.** Nothing in the Agreement is to be construed as granting to Consultant the exclusive right to perform any or all of the Services from time to time required by City.

Section 16. **Indemnification.** Consultant shall indemnify, save and hold harmless City (including its elected and appointed officers, employees, successors and assigns) from and against any and all demands, liabilities, claims, damages, costs (including City's attorney fees) actions and/or proceedings resulting from Consultant's performance of the Services, whether such matters are based on simple negligence, conflict of interest, gross negligence, recklessness or intentional misconduct by Consultant (or any employees, subcontractors or agents of Consultant). In the event of a lawsuit brought against City as a result of the Services (or lack thereof), City shall notify Consultant of such lawsuit and afford Consultant the option of providing at Consultant's cost separate qualified legal representation to City (including its elected and appointed offices, employees, successors and assigns) that is reasonably acceptable to City. Consultant's failure to exercise its option to affirmatively defend City in such an action shall not excuse Consultant from responsibility to indemnify City from and against all liabilities, claims, damages, costs (including attorney fees) or other losses incurred by City in, or as a result of, such lawsuit, provided that the same are attributable to Consultant's improper performance of the Services hereunder.

The provisions of this Section 16 are subject to and limited by all pertinent law, including, without limitation, UTAH CODE ANN. 13-8-7.

Section 17. **Insurance.** Without limiting any obligations of Consultant, Consultant shall, prior to commencing work, secure and continuously carry insurance in accordance with City's standard insurance requirements set forth on attached Exhibit "B" and shall furnish proof thereof satisfactory to City promptly when requested. Notwithstanding the foregoing, Consultant is excused from providing the \$5.0 Million excess liability insurance required by Section A(5) of attached Exhibit "B."

Section 18. **Professional Responsibility.** Consultant shall perform the Services using equal or higher standards of care, skill and diligence as normally provided by a professional in the performance of consulting services similar to those contemplated hereunder. Without limiting any other remedies available to City, if Consultant fails to comply with such professional standards, Consultant shall, upon notice from City, promptly re-perform the sub-standard work at Consultant's sole cost.

Section 19. **Examination of Work.** All Services shall be subject to examination by City at any reasonable time(s). City shall have the right to reject any unsatisfactory work. Neither examination of the Services, lack of the same, acceptance of the Services by City nor payment therefor shall relieve Consultant from its obligations under this Agreement regarding the quality and accuracy of the Services.

Section 20. **Progress.** Consultant shall submit periodic written progress reports as reasonably requested by City. City or its agents or representatives may visit Consultant's offices at any reasonable time(s) to determine the status of the Services.

Section 21. **Conflict Resolution.** Except as otherwise provided herein, in the event of a dispute between the parties regarding the Services which is not disposed of by agreement, the resolution of the dispute shall be decided by City, which shall provide written notice of its decision to Consultant. Such decision by City shall be final unless Consultant, within 30 calendar days after such notice of City's decision, provides to City a written notice of protest, stating clearly and in detail the basis thereof. Consultant shall continue its performance of this Agreement during such resolution. If the parties do not agree, then the parties shall resolve the dispute pursuant to section 22 below.

Section 22. **Claims and Disputes.** Claims, disputes and other issues between the parties arising out of or related to this Agreement shall be decided by litigation in the Third Judicial District Court of Salt Lake County, Utah. Unless otherwise terminated pursuant to the provisions hereof or otherwise agreed in writing, Consultant shall continue to perform the Services during any such litigation and City shall continue to make payments to Consultant in accordance with the terms of this Agreement.

Section 23. **Notice.** Any notice required or permitted to be given hereunder shall be deemed sufficient if given by a communication in writing and shall be deemed to have been received (a) upon personal delivery or actual receipt thereof, or (b) within three days after such notice is deposited in the United States Mail, postage prepaid, and certified and addressed to the parties at their addresses specified above or such substitute or additional addresses as a party previously may have provided to the other parties through written notice.

Section 24. **City's Cooperation.** City will provide the following assistance to Consultant in connection with the Services:

(a) **Representative.** Designate a representative of City to act as Consultant's point of contact with respect to the Services.

(b) **Information.** Provide to Consultant access to all non-confidential information pertaining to the Services that is in City's possession or is reasonably available to City. Consultant shall not be responsible for errors or omissions in any City-provided information, nor for delays in completing the Services attributable to City's delay in providing required information.

(c) **Staff Assistance.** Such support of City's staff as City determines, in its sole discretion, to make available to Consultant.

Section 25. **Conflicts.** In the event of inconsistencies within or between this Agreement, the attached exhibits or applicable legal requirements, Consultant shall (a) provide the better quality or greater quantity of Services, or (b) comply with the more stringent requirements, either or both in accordance with City's interpretation.

Section 26. **Additional Provisions.** The following provisions also are integral to this Agreement:

(a) **Titles and Captions.** All section or subsection titles or captions herein are for convenience only. Such titles and captions shall not be deemed part of this Agreement and

shall in no way define, limit, augment, extend or describe the scope, content or intent of any part or parts hereof.

(b) Pronouns and Plurals. Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plurals and vice versa.

(c) Applicable Law. The provisions of this Agreement shall be governed by and construed in accordance with the laws of the state of Utah.

(d) Integration. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

(e) Time. Time is the essence hereof.

(f) Survival. All agreements, covenants, representations and warranties contained herein shall survive the execution of this Agreement and shall continue in full force and effect throughout the term of this Agreement.

(g) Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of such or any other covenant, agreement, term or condition. Any party may, by notice delivered in the manner provided in this Agreement, but shall be under no obligation to, waive any of its rights or any conditions to its obligations hereunder, or any duty, obligation or covenant of any other party. No waiver shall affect or alter the remainder of this Agreement but every other covenant, agreement, term and condition hereof shall continue in full force and effect with respect to any other then existing or subsequently occurring breach.

(h) Rights and Remedies. The rights and remedies of the parties hereto shall not be mutually exclusive, and the exercise of one or more of the provisions of this Agreement shall not preclude the exercise of any other provisions hereof.

(i) Severability. In the event that any condition, covenant or other provision hereof is held to be invalid or void, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect any other covenant or condition herein contained. If such condition, covenant or other provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

(j) Litigation. If any action, suit or proceeding is brought by a party hereto with respect to a matter or matters covered by this Agreement, all costs and expenses of the prevailing party incident to such proceeding, including reasonable attorneys' fees, shall be paid by the non-prevailing party.

(k) Exhibits. All exhibits annexed to this Agreement are expressly made a part of this Agreement as though completely set forth herein. All references to this Agreement, either in this Agreement itself or in any of such writings, shall be deemed to refer to and include this Agreement and all such exhibits and writings.

(l) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

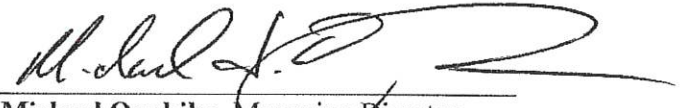
(m) Authorization. Consultant hereby represents that it has been duly authorized to enter into this Agreement by action of its governing body.

DATED effective the date first-above written.

CONSULTANT:

NFP CORPORATE SERVICES (UT) INC.,
a Utah corporation

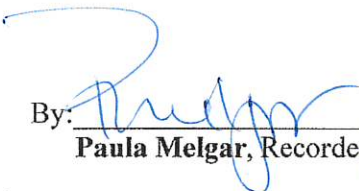
By:


Michael Ongkiko, Managing Director

CITY:

ATTEST:

By:


Paula Melgar, Recorder



COTTONWOOD HEIGHTS

By:

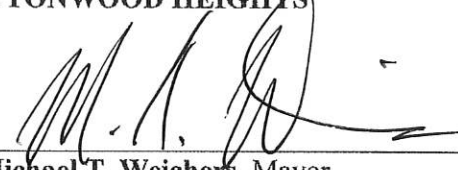

Michael T. Weichers, Mayor

Exhibit “A” to
Agreement for Consulting Services

(Attach Consultant’s 17 October 2022 Proposal and Timeline)



October 2022

Proposal for 2022-2023 Compensation Analysis & Benchmarking



Corporate Benefits



MICHAEL ONGKIKO, SPHR SHRM-SCP
Managing Director

3900 N Traverse Mountain Blvd. Ste. 301
Lehi, UT 84043
T: 385.352.9371
michael.ongkiko@nfp.com

Project Name: 2022-2023 Compensation Analysis and Benchmarking

1. PROPOSAL TO PROVIDE CONSULTING SERVICES

NFP Corporate Services (UT) Inc. proposes to perform the services described in Paragraph 2 for the city of Cottonwood Heights. Consultant warrants it has the qualifications, experience, and facilities to properly perform said services.

2. BRIEF DESCRIPTION OF SERVICES

Initial Phase/Phase I – Project Chartering, Criteria Defined and Job Analysis

NFP will include Cottonwood Heights' stakeholders in every decision and step in the process. We undertake a collaborative approach to compensation projects. Our first step is to meet with Cottonwood Heights' leadership to discuss the strategy and goals of Cottonwood Heights' compensation program. We also discuss your current compensation philosophy in order to understand the impact that it has on Cottonwood Heights' employment brand and its ability to effectively attract, motivate and retain talent.

NFP consultants will meet with Cottonwood Heights to:

- Verify the project scope, approach, resources, timing, and project success criteria.
- Discuss data requirements, confirm, and modify, if necessary, criteria to identify similar organizations to Cottonwood Heights with collaborative input from key stakeholders.

Phases II and III – Current Compensation System Assessment and Compensation Study

NFP will assess the City's current compensation philosophy to include recommended peer group (the competitive set), considering and specifying total compensation philosophy approach to cost of living, the City's unique challenges, and the recommended competitive position (percent to match external labor market). We will also confirm that the recommended compensation philosophy methodology will be repeatable year after year and consider readily accessible market data and salary surveys.

The phase will ensure salary structure, classification system and pay are highly competitive with other comparable entities for the attraction and retention of a highly qualified workforce, adhering to current and future laws, and providing internal pay equity. NFP will also ensure alignment with the City's strategic objectives, mission statement, organizational values, and competitive outlook.

NFP will identify and update the City's comparable organizations, establishing the City's compensation peer group for 2022 and the future. Peer or comparable groups may be defined uniquely for different job families and/or classification groups based on the analysis. This analysis should consider the City's current classification structure and jobs (unique and standard), organization size, (budget, scope, & FTE counts), cost of living analysis, geographic position and significance, and other key metrics to include but not limited to turnover & retention rates. Comparable organization analysis may be representative of separate classifications or industries. The identification of comparable organizations should also include peer organization information, and survey and salary data which is readily available from established sources.

Peer group (comparable organization) selection should be sufficient to ensure that salary data collection is statistically valid.

Our custom survey results have typically yielded 60-70% participation or more.

In addition to the comparator entities chosen by the City, NFP would collaborate with the City to identify any additional comparator entities with comparable labor markets. Exit interview data is also reviewed, if applicable.

NFP would develop a customized compensation survey to be used in the collection of market data for the positions as defined in the scope of work. The survey will request data on the compensation and benefits offered by the participating agencies. NFP requests information regarding the following but not limited to:

- o Base salary
- o Minimums, Midpoints, Maximums, Median
- o Number of incumbents
- o Actual Averages
- o Any other salary data that is relevant to the City

In conjunction to the customized salary survey, NFP will utilize multiple survey tools that collates and aggregates data from over many sources. These tools will provide various cuts of data that will include private industry and organizations in the Salt Lake County and surrounding areas. Cottonwood Heights competes not only with the public sector but most of your benchmark positions *also compete against the private industry*. This ensures a very reliable and large database of information from hundreds of industries and including thousands of jobs. NFP will also utilize any wage survey that is available and applicable through the City to run market comparisons.

This compensation methodology and collection as stated above will include up to:

Three (3) main sources of compensation benchmarking data which include:

- CompAnalyst
- ERI
- Compdata

Multiple cuts of data are employed within each published survey source which will include:

- Private industry
- Public entities, government, public administration, non-profit
- Revenue size
- Budget
- Numbers of full-time FTEs

Each cut of data found above will be sourced for the City, Salt Lake area and the State of Utah if needed. If applicable, survey data will be aged accordingly, to reflect current data for the timeframe needed in 2022.

ERI

With current market data for more than 1,000 industry sectors, ERI (Economic Research Institute) compiles the most robust salary, cost-of-living and executive compensation survey data available. The majority of the Fortune 500 and thousands of other small and medium-sized organizations, rely on ERI data and analytics for compensation and salary planning, relocations, disability determinations, board professionals, and setting branch office salary structures in the United States, Canada, and worldwide. ERI collects data from thousands of available salary surveys, not just those published by the largest survey firms. ERI collects available salary survey data for jobs and areas; evaluates each survey for validity, reliability, and use; and compiles updated market values for jobs with comparable responsibilities. Analysis is conducted on wages by geographic area, size of company, years of experience, and industry. Data values are automatically updated to match today's market movement rates, and the default projected market increase projections, like the other variables, can be adjusted depending on preferences. ERI results are all market-based and reflect current market values.

CompAnalyst

CompAnalyst Market Data is a 100 percent HR-reported dataset. This data is gathered from employers and does not include any self-reported data from employees. CompAnalyst purchases more than 300 commercially available surveys annually.

The methodology behind Salary.com's/CompAnalyst Market Data is a state-of-the-art process for benchmarking and analyzing jobs that builds on the professional industry standards employed by compensation analysts. When adding jobs to the CompAnalyst Market Data database, Salary.com's team of compensation consultants selects and validates surveys, benchmarks jobs to multiple surveys, aggregates data, and reviews and adjusts results as necessary, to produce accurate results for every job, every time. To determine the true market rate for each job reported in CompAnalyst, the Salary.com team reviews all available market pay data monthly, ensuring that CompAnalyst users have access to up-to-date, accurate market data.

With this unique methodology, Salary.com is able to publish an up-to-date estimated salary range for any job in any market, even when individual surveys do not have sufficient data for that job or market. Utilizing CompAnalyst's architecture, which defines relationships between job family, function, and focus, Salary.com fills in the gaps left by traditional compensation surveys, producing accurate estimated salaries for jobs that other data sources do not cover.

CompAnalyst Market Data includes data from more than 7,500 organizations across 225 diverse industry breakouts. The data covers companies of all sizes, ownership types, and tax-exempt statuses.

Compdata Survey (Western region cut)

This cut of data provides access to executive and general staff compensation data from more than 3,700 organizations across most industries. 63,000 organizations submitted data for over 570 jobs. The survey will be aged accordingly to provide current wage data from the June 2022 release.

We individually benchmark each position against the same or similar job in the survey tool. In some cases, if a sufficient match is not identified, we may create a hybrid to produce the best matching position from which to benchmark. We then produce a report comparing the organization's current pay range for each job to the benchmark data for the matching job, as it is provided in the survey tool. Typically, this represents minimum pay, 25th percentile, 50th percentile, 75th percentile, 90th percentile. We provide this baseline survey information for both base (regular) compensation and for any bonus compensation.

We also provide a PowerPoint presentation, summarizing the data for each position and the organization's competitive position compared to the relevant labor market. In this presentation, we also outline any recommendations that we may have or potential areas for further research and evaluation. We will analyze and recommend on pay grades. We begin this phase by first learning the organization's culture and pay philosophy. Based on this information, and on the data sets that we collect from our competitive benchmarking analysis, we compare the City's non-exempt and exempt pay grades to the benchmarks. We review labor market value and the internal value of each job and provide our recommendations.

We will determine how the City compares to the market and make recommendations based on our findings and the market averages. Once we have completed our gap analysis, we will provide you with formal recommendations to help move the City closer to your goals, taking into consideration both your organization's financial and cultural objectives and the needs of your team.

In order to demonstrate the City's market position, NFP will compile a separate summary report for each job. Each report includes a list of organizations that reported pay data and benefits for the job. For each job, the consulting team will calculate the average and median, for the study cities' Minimum, Maximum, and Actual Average pay rates. The summary sheet will also show the City's pay rates as a percentage of the average and median.

After the market group is identified and the surveys developed, NFP begins the collection process of the data from participating organizations. The survey process will typically take about a month+, to allow participants ample time to participate in the survey and return the results. The recommended best practice, in order to increase participation, is to provide the raw data from the survey to the participants who would have a vested interest in the results. NFP follows up with all participants multiple times to ensure the best participation.

Phase IV – Reporting and Recommendations

- Deliverables will include a comprehensive compensation study final report, City-wide cohesive compensation philosophy and plan, and updated class specifications for each unique position. This will be done with the goal of providing ongoing structure and consistency for classification and compensation analysis and changes in future years. NFP will combine its data collection, analyses, findings, and recommendations in a comprehensive final report, which will contain an executive summary highlighting primary findings and recommendations. A draft will be provided to all stakeholders for their comment and input before the final recommendations are generated. We also provide a PowerPoint presentation, summarizing the data for each position and the organization's competitive position compared to the relevant labor market.
- NFP will be onsite as needed with City leadership, human resources, employees, and any other necessary stakeholders.
- NFP will present the City with a documented plan for implementing any total compensation policy updates/changes with a phased implementation approach for structure changes. Maintenance of the compensation and classification system will be top priority once the solidification of the infrastructure is complete. NFP will generate recommendations for future schedule for compensation and classification studies and keeping the system modernized, equitable, and adaptable. Compensation analytical tools will also be recommended.

3. COMPENSATION

Except for authorized extra services, the total compensation payable to Consultant by Cottonwood Heights for the Services described in section 2 shall not exceed the sum of \$15,520 and shall be earned on the basis as indicated in the Consultant's attached proposal.

Payment will not be due to the Consultant until the completion of the project.

Any work to be charged on an hourly basis shall be billed to Cottonwood Heights the rates set forth in the Consultant's proposal of \$125.00/hour, which rates shall be binding upon Consultant until completion of the final design as outlined in the Consultant's proposal.

4. **EXTRA SERVICES**

Cottonwood Heights shall pay Consultant for those extra services authorized in writing in addition to the Services described in section 2, in such amounts as mutually agreed to in advance.

Unless Cottonwood Heights and Consultant have agreed in writing before the performance of extra services, no liability, and no right to claim compensation for such extra services or expenses shall exist. The applicable hourly rate for extra services shall be at the hourly rate set forth in the Consultant's proposal.

5. **PROGRESS AND COMPLETION**

Cottonwood Heights and the Consultant are aware that many factors outside the Consultants control may affect the Consultant ability to complete the Services to be provided under this Agreement. The Consultant will perform these Services with reasonable diligence and expediency consistent with sound professional practices, provided that the Services shall be completed no later than ____ 202__.

6. **OWNERSHIP OF DOCUMENTS**

All drawings, designs, data, photographs, reports, and other documentation, including duplication of same prepared by Consultant in the performance of these services, shall become the property of Cottonwood Heights upon termination of the consulting services pursuant to this Agreement and upon payment in full of all compensation then due Consultant.

7. **PERSONAL SERVICES**

The following persons are deemed to be a key member(s) of or employee(s) of the Consultant's firm and shall be directly involved in performing or assisting in the performance of this work.

- Michael Ongkiko, Managing Director
- Megan Nail, VP Consulting & Total Rewards
- Rachel Burt, HR/Compensation Consultant
- Amanda Claflin, Marketing Manager

8. **INSURANCE**

Consultant shall, at Consultant's sole cost and expense and throughout the term of this Agreement and any extensions thereof, carry:

- Workers compensation insurance adequate to protect Consultant from claims under workers compensation acts.
- Professional errors and omissions insurance in the amount of \$2,000,000, and

- General personal injury and property damage liability insurance and automobile liability insurance with liability limits of not less than \$2,000,000 each claimant and \$2,000,000 each occurrence for the injury or death of person or persons and property damage.

All insurance policies shall be issued by a financially responsible company or companies authorized to do business in the State of Utah. Consultant shall provide Cottonwood Heights with copies of certificates for all policies with an endorsement that they are not subject to cancellation without thirty (30) days prior written notice to Cottonwood Heights and Cottonwood Heights, its officers, and employees, shall be named as additional insured on General and Automobile liability policies only.

9. CORRECTIONS

The Consultant shall correct, at its expense, all errors in the work that may be disclosed during Cottonwood Heights 's review of the Consultant's report or plans.

Project Name	2022-2023 Cottonwood Heights Compensation Analysis				
Project Manager	M. Ongkiko				
Project Deliverable	Provide an equitable compensation structure while ensuring wise stewardship over resources and tax-payer funds.				
Start Date	11/1/2022				
End Date	1/26/2023				
Overall Progress	0%				
Tasks	Responsible	Start	End	Days	Status
Project Planning					
Kick-off meeting onsite	NFP	11/1/2022	11/1/2022	0	Not started
Confirm project objectives	NFP/Cottonwood Heights	11/1/2022	11/1/2022	0	Not started
Assign NFP and Cottonwood Heights areas of responsibility	NFP/Cottonwood Heights	11/1/2022	11/1/2022	0	Not started
Generate communication plan	NFP/Cottonwood Heights	11/1/2022	Ongoing	Ongoing	Not started
Send positions and job descriptions to review	Cottonwood Heights	11/1/2022	11/5/2022	4	Not started
Market Analysis via Customized Compensation Survey					
Confirm Entities to survey	NFP/Cottonwood Heights	11/1/2022	11/8/2022	7	Not started
Develop customized survey, with review and approval by the Cottonwood Heights stakeholders	NFP/Cottonwood Heights	11/8/2022	11/11/2022	3	Not started
Customized survey distributed to participants	NFP	11/15/2022	12/20/2022	35	Not started
Analyze Cottonwood Heights positions with NFP's compensation tools-ERI/CompAnalyst/Compdata/TechNet	NFP	11/15/2022	12/20/2022	35	Not started
Collection and data and analysis	NFP	12/27/2022	1/10/2023	14	Not started
Salary Structure Review & Recommendations					
Market price benchmark jobs from survey	NFP	12/27/2022	1/10/2023	14	Not started
Evaluate, price, and slot non-benchmark jobs from survey	NFP	12/21/2022	1/10/2023	20	Not started
Review with the Cottonwood Heights: Recommendations for job slotting, and pay range analysis	NFP/Cottonwood Heights	1/10/2023	1/17/2023	7	Not started
Reporting/Recommendations & Maintenance					
Draft of report and recommendations	NFP	1/13/2023	1/13/2023	0	Not started
Presentation of Final Recommendations					
Presentation of the results of the customized market survey and recommended changes to the current classification system	NFP	Week of 1/23/23	Week of 1/23/23	N/A	Not started
Projected Completion of Project	1/26/2023				

Exhibit "B" to Agreement for Consulting Services

INSURANCE REQUIREMENTS FOR PARTIES CONTRACTING WITH THE CITY OF COTTONWOOD HEIGHTS

The contracting party shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the contracting party, his agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the contracting party's bid.

A. MINIMUM LIMITS OF INSURANCE.

The contracting party shall maintain limits no less than:

1. *Professional Liability*: \$2,000,000.00 combined single limit per occurrence for bodily injury, personal injury and property damage, including "tail coverage" for at least one year after completion of all services.
2. *Automobile Liability*: \$2,000,000.00 combined single limit per accident for bodily injury and property damage.
3. *Worker's Compensation*: Worker's compensation limits as required by applicable law for all employees and other persons.
4. *Commercial General Liability*: \$2,000,000.00 combined single limit per occurrence for personal injury and property damage; \$2,000,000.00 annual aggregate. Broad Form Commercial General Liability is required (ISO 1993 or better). Personal injury, premises-operations, products-completed operation, independent contractors and subcontractors fire legal liability and, when appropriate, coverages for explosion, collapse and underground (XCU) hazards.
5. *Excess Liability*. \$5,000,000.00.

B. DEDUCTIBLES AND SELF-INSURED RETENTIONS.

Any deductibles (5% limit), self-insured programs or retentions must be declared to and approved by the city of Cottonwood Heights (the "City"). At the option of the City, either: the insurer may be required to reduce or eliminate such deductibles or self-insured retentions as respect to the City, its officers, officials and employees; or the contracting party may be required to procure a bond guaranteeing payment of losses and related investigations, claim distribution and defense expenses.

C. NOTICE OF INCIDENT OR ACCIDENT.

The contracting party shall agree to promptly disclose to the City all incidents or occurrences of accident, injury, and/or property damage covered by the insurance policy or policies.

D. OTHER INSURANCE PROVISIONS.

The policies are to contain, or be endorsed to contain, the following provisions:

1. *General Liability and Automobile Liability Coverages.*

(a) The City, its officers, officials, employees and volunteers are to be covered as additional insured as respects: liability arising out of activities performed by or on behalf of the contracting party; products and completed operations of the contracting party; premises owned, leased, hired or borrowed by the contracting party. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, officials, employees or volunteers.

(b) The contracting party's insurance coverage shall be a primary insurance as respects to the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be in excess of the contracting party's insurance and shall not contribute with it.

(c) Any non-material failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officers, officials, employees or volunteers.

(d) The contracting party's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respects to the limits of the insurer's liability.

2. *Worker's Compensation and Employer's Liability Coverage.*

The insurer shall agree to waive all rights of subrogation against the City, its officers, officials, employees and volunteers for losses arising from work performed by the contracting party for the City.

3. *All Coverages.*

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be cancelled before its expiration date except after thirty (30) days' prior written notice (from the insurer) by first class mail, return receipt requested, has been given to the City.

E. ACCEPTABILITY OF INSURERS.

Insurance is to be placed with insurers with a Bests' rating of no less than A:VII, unless approved by the Manager.

F. VERIFICATION OF COVERAGE.

The contracting party shall furnish the City with certificates of insurance and with original endorsements effecting coverage required by this clause. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms provided before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, with all endorsements, at any time.

G. SUBCONTRACTORS.

The contracting party shall include all subcontractors as insureds under its policy or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.