

## AGREEMENT TO FURNISH EXECUTIVE RECRUITMENT SERVICES

This agreement to furnish executive recruitment services ("Agreement") is made and entered into this 4<sup>th</sup> day of March, 2008 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City") and Alliance Resource Consulting, LLC ("Consultant"). City and Consultant are sometimes individually referred to herein as a "Party" and, together, as the "Parties."

In consideration of the mutual promises contained herein, City and Consultant agree as follows:

### ARTICLE 1 - ENGAGEMENT OF CONSULTANT

- 1.1 City hereby engages Consultant to perform executive recruitment services in connection with City's recruitment of a Chief Information Officer (the "Services").
- 1.2 The Services shall be performed by Consultant in a professional manner, and Consultant represents that it has the skill and the professional expertise necessary to provide the Services to City at a level of competency presently maintained by other practicing professional consultants in the industry providing similar types of Services.

### ARTICLE 2 - SERVICES OF CONSULTANT

- 2.1 The Services which Consultant shall perform are more particularly described in Exhibit "A," entitled "The Recruitment Process," which is attached hereto and incorporated herein by this reference.
- 2.2 Consultant shall comply with all applicable Federal, State and local laws and regulations in the performance of this Agreement including, but not limited to, the Americans with Disabilities Act and the Fair Employment and Housing Act.

### ARTICLE 3 - RESPONSIBILITIES OF CITY

- 3.1 City shall make available to Consultant information in its possession that may assist Consultant in performing the Services.
- 3.2 City designates Deborah Scott-Leistra as City's representative with respect to performance of the Services, and such person shall have the authority to transmit instructions, receive information, interpret and define City's policies and decisions with respect to performance of the Services.

#### ARTICLE 4 - PERFORMANCE OF SERVICES

- 4.1 Consultant shall perform the Services in a prompt and diligent manner and in accordance with the schedule set forth in Exhibit "A."
- 4.2 At any time during the term of this Agreement, City may request that Consultant perform Extra Services. As used herein, "Extra Services" means any work which is determined necessary by City for the proper completion of the Services, but which the Parties did not reasonably anticipate would be necessary at the time of execution of this Agreement. Provided the Extra Work does not exceed twenty percent (20%) of the compensation to be paid by City to Consultant for the Services, such Extra Work may be agreed to by the Parties, by written amendment to this Agreement, executed by City's City Manager. Consultant shall not perform, nor be compensated for, Extra Work without such written authorization from City.

#### ARTICLE 5 - PAYMENTS TO CONSULTANT

- 5.1 City shall pay Consultant the sum of Twenty-Five Thousand Five Hundred Dollars (\$25,500) as compensation for the Services. In addition to such compensation, City shall reimburse Consultant for expenses incurred in performing the Services in an amount not to exceed Six Thousand Five Hundred Dollars (\$6,500). Reimbursable expenses include costs of travel, clerical support, placement of ads, criminal and civil background checks, education verification, newspaper search, postage, printing, photocopying and telephone charges.
- 5.2 Consultant shall submit monthly invoices to City describing the services performed during the preceding month. Consultant's invoices shall include a brief description of the Services performed, the dates the Services were performed, and a description of reimbursable expenses, if any. City shall pay Consultant no later than thirty (30) days after receipt and approval by City of Consultant's invoice, provided the Services reflected in the invoice were performed to the reasonable satisfaction of City in accordance with the terms of this Agreement, provided that all expenses, rates and other information set forth in the invoice are consistent with the terms and conditions of the Agreement.
- 5.3 All notices shall be given in writing by personal delivery or by United States mail. Notices sent by mail should be addressed as follows:

##### City

Deborah Scott-Leistra  
Human Resources Manager  
City of Redlands  
P.O. Box 3005  
Redlands, CA 92373

##### Consultant

Sherrill A. Uyeda  
Senior Partner  
Alliance Resource Consulting, LLC  
One World Trade Center, Suite 1155  
Long Beach, CA 90831

When so addressed, such notices shall be deemed given upon deposit in the United States Mail. Changes may be made in the names and addresses of the person to who notices and payments are to be given by giving notice pursuant to this section 5.3.

#### ARTICLE 6 - INSURANCE AND INDEMNIFICATION

- 6.1 All insurance required by this Agreement shall be maintained by Consultant for the duration of its performance of the Services. Consultant shall not perform any Services unless and until all required insurance listed below is obtained by Consultant. Consultant shall provide City with certificates of insurance and endorsements evidencing such insurance prior to commencement of the Services. All insurance policies shall include a provision prohibiting cancellation of the policy except upon thirty (30) days prior written notice to City.
- 6.2 Workers Compensation and Employer's Liability.
- A. Consultant shall secure and maintain Workers Compensation and Employer's Liability insurance throughout the duration of this Agreement in accordance with the laws of the State of California, with an insurance carrier acceptable to City.
- B. Consultant expressly waives all rights to subrogation against City, its elected officials, officers and employees for losses arising from work performed by Consultant for City by expressly waiving Consultant's immunity for injuries to Consultant's employees and agrees that the obligation to indemnify, defend and hold harmless provided for in this Agreement extends to any claim brought by or on behalf of any employee of Consultant. This waiver is mutually negotiated by the Parties. This waiver shall not apply to any damage resulting from the sole negligence of City, its employees or agents. To the extent any of the damages referenced herein were caused by or resulted from the concurrent negligence of City, its agents or employees, the obligations provided herein to indemnify, defend and hold harmless are valid and enforceable only to the extent of the negligence of Consultant, its officers, agents and employees.
- 6.3 Hold Harmless and Indemnification. Consultant shall defend, indemnify and hold harmless City and its elected officials, employees and agents from and against any and all claims, losses or liability, including attorneys fees, arising from injury or death to persons or damage to property occasioned by Consultant's and its officers', employees' and agents' sole negligent acts or omissions in performing the Services.
- 6.4 Assignment. Consultant is expressly prohibited from assigning any of the Services without the express prior written consent of City. In the event of agreement by the Parties to assign a portion of the Services, Consultant shall add the assignee as an additional insured and provide City with the insurance endorsements required by this Agreement prior to the performance of any Services by the assignee. Assignment does

not include printing or other customary reimbursable expenses that may be provided for in this Agreement.

- 6.5 Comprehensive General Liability Insurance. Consultant shall secure and maintain in force throughout the term of this Agreement comprehensive general liability insurance with carriers acceptable to City. Minimum coverage of One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate for public liability, property damage and personal injury is required. City shall be named as an additional insured. Such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City.
- 6.6 Professional Liability Insurance. Consultant shall secure and maintain professional liability insurance throughout the term of this Agreement in the amount of One Million Dollars (\$1,000,000) per claim made.
- 6.7 Business Auto Liability Insurance. Consultant shall have business auto liability coverage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence, combined single limit for bodily injury liability and property damage liability. This coverage shall include all Consultant owned vehicles used in connection with Consultant's provision of the Services, hired and non-owned vehicles, and employee non-ownership vehicles. Such insurance shall be primary and non-contributing to any insurance or self insurance maintained by City. City shall be named as an additional insured.

#### ARTICLE 7 - CONFLICTS OF INTEREST

- 7.1 Consultant covenants and represents that it does not have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the geographical area covered by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Consultant's Services. Consultant further covenants and represents that in the performance of its duties hereunder, no person having any such interest shall perform any Services under this Agreement.
- 7.2 Consultant agrees it is not a designated employee within the meaning of the Political Reform Act because Consultant:

A. Does not make or participate in:

- (i) the making or any governmental decisions regarding approval of a rate, rule or regulation, or the adoption or enforcement of laws;
- (ii) the issuance, denial, suspension or revocation of permits, licenses, applications, certifications, approvals, orders or similar authorizations or entitlements;

- (iii) authorizing City to enter into, modify or renew a contract;
- (iv) granting City approval to a contract that requires City approval and to which City is a party, or to the specifications for such a contract;
- (v) granting City approval to a plan, design, report, study or similar item;
- (vi) Adopting, or granting City approval of, policies, standards or guidelines for City or for any subdivision thereof.

B. Does not serve in a staff capacity with City and in that capacity participate in making a governmental decision or otherwise perform the same or substantially all the same duties for City that would otherwise be performed by an individual holding a position specified in City's Conflict of Interest Code under Government Code section 87302.

- 7.3 In the event City officially determines that Consultant must disclose its financial interests by completing and filing a Fair Political Practices Commission Form 700, Statement of Economic Interests, Consultant shall file the subject Form 700 with the City Clerk's office pursuant to the written instructions provided by the Office of the City Clerk.

#### ARTICLE 8 - GENERAL CONSIDERATIONS

- 8.1 Attorneys' Fees. In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees, including fees for the use of in-house counsel by a Party.
- 8.2 Prohibition Against Assignment. Consultant shall not assign any of the Services, except with the prior written approval of City and in strict compliance with the terms, and conditions of this Agreement.
- 8.3 Documents and Records. All documents, records, drawings, designs, cost estimates, electronic data files, databases and other documents developed by Consultant in connection with its performance of the Services, and any copyright interest in such documents, shall become the property of City and shall be delivered to City upon completion of the Services, or upon the request of City. Any reuse of such documents, and any use of incomplete documents, shall be at City's sole risk.
- 8.4 Independent Contractor Status. Consultant is for all purposes under this Agreement an independent contractor and should perform the Services as an independent contractor. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as herein set forth. Consultant shall supply all tools and instrumentalities required to perform the Services. All personnel employed by

Consultant are for its account only, and in no event shall Consultant or any personnel retained by it be deemed to have been employed by City or engaged by City for the account of, or on behalf of City. Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent, nor shall Consultant have any authority, express or implied, to bind City to any obligation.

#### 8.5 Termination.

A. Unless earlier terminated, as provided for below, this Agreement shall terminate upon completion and acceptance of the Services by City.

B. This Agreement may be terminated by City, in its sole discretion, by providing five (5) business days prior written notice to Consultant (delivered by certified mail, return receipt requested) of City's intent to terminate.

C. If this Agreement is terminated by City, an adjustment to Consultant's compensation shall be made, but (1) no amount shall be allowed for anticipated profit or unperformed services, and (2) any payment due Consultant at the time of termination may be adjusted to the extent of any additional costs to City occasioned by any default by Consultant.

D. Upon receipt of a termination notice, Consultant shall immediately discontinue its provisions of the Services and, within five (5) days of the date of the termination notice, deliver or otherwise make available to City, copies (in both hard copy and electronic form, where applicable) of any data, design calculations, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by Consultant in performing the Services. Consultant shall be compensated on a pro-rata basis for Services completed up to the date of termination.

8.6 Books and Records. Consultant shall maintain any and all books, ledgers, invoices, accounts and all other records and documents evidencing costs and expenses related to the Services for a period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant pursuant to this Agreement. Such books shall be available at all reasonable times for examination by City at the office of Consultant.

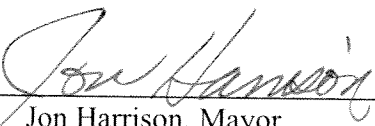
8.7 Entire Agreement/Amendment. This Agreement, including the Exhibits incorporated herein by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein, and any prior negotiations, written proposals or verbal agreements relating to such matters are superseded by this Agreement. Any amendment to this Agreement shall be in writing, approved by City and signed by City and Consultant.

8.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

8.9 Severability. If one or more of the sentences, clauses, paragraphs or sections contained in this Agreement is declared invalid, void or unenforceable by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall not affect, impair or invalidate any of the remaining sentences, clauses, paragraphs or sections contained herein, unless to do so would deprive a Party of a material benefit of its bargain under this Agreement.

IN WITNESS WHEREOF, duly authorized representatives of the City and Consultant have signed in confirmation of this Agreement.

CITY OF REDLANDS

By:   
Jon Harrison, Mayor

Attest:

  
City Clerk

ALLIANCE RESOURCE CONSULTING, LLC

By: 

# THE RECRUITMENT PROCESS

Our objective is always to find the best qualified candidates. We believe that, although notices in professional journals may be helpful, many of the best candidates must be sought out and their interest encouraged. Our general familiarity with the City of Redlands, knowledge of the information technology field and our relationships with professional organizations make us well qualified to assist you.

Our clients have found that we are able to:

- Build consensus among those involved in the hiring process.
- Develop the appropriate specifications for a position.
- Encourage the interest of top-level people who would otherwise be reluctant to respond to an advertisement.
- Preserve the confidentiality of inquiries.
- Save a considerable amount of time for client staff in developing and responding to candidates.
- Independently and objectively assess the qualifications and suitability of candidates for the particular position for which we are recruiting.

If our proposal is accepted, we will do the following:

## **Organization and Position Analysis**

We will interview the appropriate individuals to determine views of the position and expectations regarding desirable training, experience and personal characteristics of candidates. We will also gather/review relevant information about the City, such as budgets, organization charts, etc.



Once our findings have been summarized, we will submit a Recruitment Profile with the desired qualifications and characteristics for your approval. The Recruitment Profile that will be sent to potential candidates will include information about the City, the job and the criteria established by you.

### **Recruitment**

Once you have approved the Recruitment Profile, we will actively seek out individuals with superior qualifications and invite and encourage their interest. Announcements can be placed on-line and in professional journals. However, we will rely heavily on our own experience, contacts and file data.

As a matter of corporate policy, we will not discriminate against any applicant for employment on the basis of race, religion, creed, age, color, marital status, sex, sexual preference, disabilities, medical condition, veteran status or national origin. A substantial percentage of the placements made by our firm have been minority or female candidates.

Frequent communication with our clients is a hallmark of our firm. While consultants will provide regular updates on the progress of your search, you will also be able to access up-to-date 'real time' information regarding your search from our secure website.

### **Preliminary Screening**

We will review, acknowledge and evaluate all resumes received. Preliminary screening will be based upon criteria contained in the Recruitment Profile, information contained in the resumes submitted to us, and our knowledge of the people and organizations in which they work. Telephone screening will be conducted with the most promising candidates to gain a better understanding of their backgrounds.

### **Progress Reporting**

Upon completion of our preliminary screening, we will assemble and submit a progress report of the leading candidates to you. This report will include summary resumes, supplemental information, and the original resumes of those candidates we believe to be best qualified for the position. Supplemental information on a candidate typically includes: the size of the organization for which the person works, reporting relationships, budget responsibility, the number of people supervised, related experience and reasons for interest in the position. Any other specific information will be dictated by the criteria set forth in the Recruitment Profile.

The purpose of our progress report is two-fold. It allows you an opportunity to review the candidates prior to the conclusion of the search and allows us to receive feedback on the caliber of the candidates recruited. In this way, you will not be surprised by the candidates, as you will have seen their qualifications prior to the final interviews. Of course, we are flexible and may consider other individuals as final candidates who are subsequently identified and were not included in the progress report.

### **Candidate Evaluation**

We will interview (either in person or via video-conference) those candidates whose qualifications most closely match the criteria established by you. We will examine their qualifications and achievements in view of the selection criteria. Additionally, we will verify degrees and certifications and gather newspaper articles via the Internet.

As part of our process in evaluating candidates, we make telephone reference checks. In conducting these references, it is our practice to speak directly with individuals who are, or have been, in a position to evaluate the candidate's performance on the job. These references and our evaluations provide you with a frank, objective appraisal of the candidates. We will conduct preliminary references on candidates to be interviewed, and will finalize these for the top one or two candidates.

### **Final Reporting/Client Interviews**

We will assist you in scheduling final candidates for interview with your organization, and will send the candidates packets of information which we obtain from you (e.g., information about the organization and the geographic area, budgets, etc.).

We will prepare a brief written report for those candidates most nearly meeting your specifications, and will provide you with interviewing/selection tips, suggested interview questions, and rating forms for your use. Candidates will not be ranked, for we believe it will then be a matter of chemistry between you and the candidates. We will conduct a "briefing session" immediately preceding your interviews to make sure that the process flows smoothly, and will assist you in a "debriefing" immediately following the interviews. Once we finalize references on the top one or two candidates, and conduct credit/criminal/civil litigation/motor vehicle record checks through an outside service, we will provide you with a detailed, supplemental written report.

### **Special Assistance**

Our efforts do not conclude with presentation of the final report. We are committed to you until a successful placement is made. Services that are routinely provided include:

- Arranging the schedule of interviews and the associated logistics for final candidates;
- Advising on starting salary, fringe benefits, relocation trends and employment packages;
- Acting as a liaison between client and candidate in discussing offers and counter offers;
- Conducting a final round of reference checking with current employers (if not previously done for reasons of confidentiality); and
- Notifying unsuccessful candidates, who were not recommended for interview, of the decision.

## OUR CLIENT'S ROLE

The client has a very important role in the recruitment process. While we may identify and recommend qualified candidates, it is the client who must make the decision about which candidate to hire.

In order to insure that the best candidates are available from which to choose, our clients should be willing to do the following:

- Clearly inform us about matters relevant to the search that you wish to keep confidential (e.g., salary, personnel issues, and other privileged information);
- Supply us with the names of people you have previously interviewed/considered for this position;
- Forward to us copies of the resumes you receive, to avoid duplication of effort;
- Provide feedback to Alliance Resource Consulting regarding the information and recommendations provided by us;
- Promptly decide upon and follow up in scheduling interviews with the most promising candidates; and
- Assist in providing information to candidates that will enable them to make their career decisions.

By doing the above, we will maximize the likelihood of mutual success.

Finally, please be reminded that the United States Immigration Reform and Control Act of 1986 requires that all employers verify an employee's eligibility to work in the United States. Since Alliance Resource Consulting cannot serve as your agent in this matter, your hiring process should include this verification procedure.

# TIME FRAME

The following is a typical schedule to conduct a thorough recruitment. *However, we would be pleased to modify this to meet your needs:*

1 <sup>st</sup> week	Meet with the appropriate individuals to gather background information.
2 <sup>nd</sup> to 4 <sup>th</sup> week	Develop and obtain approval for the Recruitment Profile. Develop a list of potential candidates to target. Prepare and place advertisements, if desired.
5 <sup>th</sup> to 8 <sup>th</sup> week	Active recruitment—solicit, receive and acknowledge resumes.
9 <sup>th</sup> week	Evaluate resumes and gather supplemental information.
10 <sup>th</sup> week	Submit progress report and meet with you to review leading candidates.
11 <sup>th</sup> to 12 <sup>th</sup> week	Verify degrees and certifications, conduct preliminary references and interview the best qualified candidates.
13 <sup>th</sup> week	Submit final report and initiate the interview process with you.
Following Interviews	Finalize references, conduct credit/criminal/civil litigation/motor vehicle record checks, and assist with negotiations.

## PROFESSIONAL FEES AND EXPENSES

As a local client, our budget does not limit the number of meetings with you. Our proposal provides for as many meetings as necessary to develop the Recruitment Profile, to present our Progress Report, and to attend interviews of final candidates. We propose a fixed fee of \$19,000 for the work outlined above. In addition, we are reimbursed for expenses such as for advertising, travel, interviewing, sourcing, support services, background checks and other related items, as well as allocated costs such as telephone, postage and photocopying. These expenses will not exceed \$6,500 for a statewide recruitment with some nationwide outreach, without written authorization from you. Please note that this amount for expenses does not include reimbursement of candidates who travel to be interviewed by you. Unless you notify us to the contrary, we will assume that you will handle these reimbursements directly. We will submit three equal monthly invoices for fees, plus an amount for expenses, due and payable upon receipt. Our first billing is due upon your authorization to proceed.

Though we are committed to working with you until a placement is made, our fees and expenses are not contingent upon our success in placing a candidate with your organization. However, if the selected candidate (if recommended by us for hire, and other than an internal candidate) should be terminated within one year from the date of hire, we will redo the search for no additional professional fee. Naturally, we would expect to be reimbursed for any expenses that might be incurred. Additionally, in the event that more than one executive is hired in connection with work performed by us (i.e., for another position within your organization), a negotiated fee will be due for each additional executive hired.

You may discontinue this assignment at any time by written notification. In the unlikely event that this occurs, you will be billed for all expenses

incurred to the date of the cancellation, and for professional fees based upon the time elapsed from the commencement of the assignment to the date of cancellation. If a cancellation occurs within the first 30 days of the assignment, following either verbal or written authorization to proceed, one-third of the professional fee will be due. If a cancellation occurs thereafter, the fee beyond the first one-third will be prorated based upon the number of calendar days which have elapsed. If a cancellation occurs after 90 days, all professional fees will be due in full.